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14/87

PARIS, MONDAY, MARCH 30, 1987

	14/87	14/87	14/87	14/87	
Algeria	4.00 Dr.	Iraq	115 Rls.	Greece	4.000 Rls.
Bahrain	2.75 S.	Ireland	145.20 D.	Portugal	125 Esc.
Burma	0.300 D.	India	1,200 L.	Côte d'Ivoire	4.50 Frs.
Bulgaria	50 B.F.	Jordan	450 Fr.	Iceland	70 P.
Canada	C\$ 1.05	Kyrgyz	350.20 D.	Saudi Arabia	7.00 D.
Cyprus	C. 1.00	Kuwait	500 Fr.	Spain	125 Pes.
Denmark	10.00 D.	Liberia	LD. 0.40	Sweden	—
Egypt	E. 2.20	Liberia	LD. 0.40	Turkey	2.50 L.
Fiji	8.00 F.	Lebanon	LD. 0.40	Tunisia	0.700 D.
France	2.70 D.	Mali	LD. 0.40	Turkey	7.00 D.
Germany	2.70 D.	Morocco	LD. 0.40	U.S.A.	—
Great Britain	12.55	Netherlands	2.00 D.	U.S.S.R.	5.00 D.
Greece	110 Dr.	Norway	8.00 N.K.	Yugoslavia	4.00 D.

ESTABLISHED 1887

Japan Said to Plan Computer Deal to Avert U.S. Sanctions

Associated Press Staff Writer
Tokyo — Japan plans to buy several multimillion-dollar American supercomputers as part of its efforts to head off sanctions imposed by the United States in a trade dispute, Japanese newspapers reported Sunday.

The Asahi Shimbun said the government hoped the measures would

The gray market for Japanese memory chips is shrinking but remains significant. Page 7.

create an atmosphere that would lead the United States to reduce or lift limits announced by the Reagan administration.

In Washington, Commerce Secretary Malcolm Baldrige predicted Sunday that the United States and Japan would soon settle the dispute.

"I think the Japanese understand well that they haven't lived up to this commitment," Mr. Baldrige said on a U.S. television program, referring to a semiconductor trade agreement between the two nations.

Their government wants to live up to it. Their industries haven't been doing it, and I think we'll have a good settlement to square both sides," Mr. Baldrige said. "I do not think there will be a trade war at all."

Meanwhile, some U.S. trade experts said that the tariffs might never go into effect if negotiators succeed in striking a compromise in the next two weeks. Prime Minister Yasuhiro Nakasone said he was willing to send a high-level aide to Washington this week to begin talks.

The administration said Friday that it planned to impose tariffs of up to 100 percent on up to \$300 million worth of Japanese electronic products, possibly including certain television sets, lap-top computers and stereo equipment.

The tariffs, scheduled to take effect April 17, are intended to force

Japan to comply with an agreement reached last July to open its home market to American-made computer chips and to stop "dumping" chips at unfairly low prices in foreign markets.

According to the Asahi Shimbun, the Japanese steps would also include taking a "positive posture" toward U.S. companies participating in a car telephone project in Japan and in construction of a billion-dollar airport in western Japan.

The economic newspaper Nihon Keizai said Japan would buy the supercomputers, which cost \$20 million each, for use by government agencies and national universities. Supercomputers are complex instruments that perform calculations and other analytical functions at lightning speed.

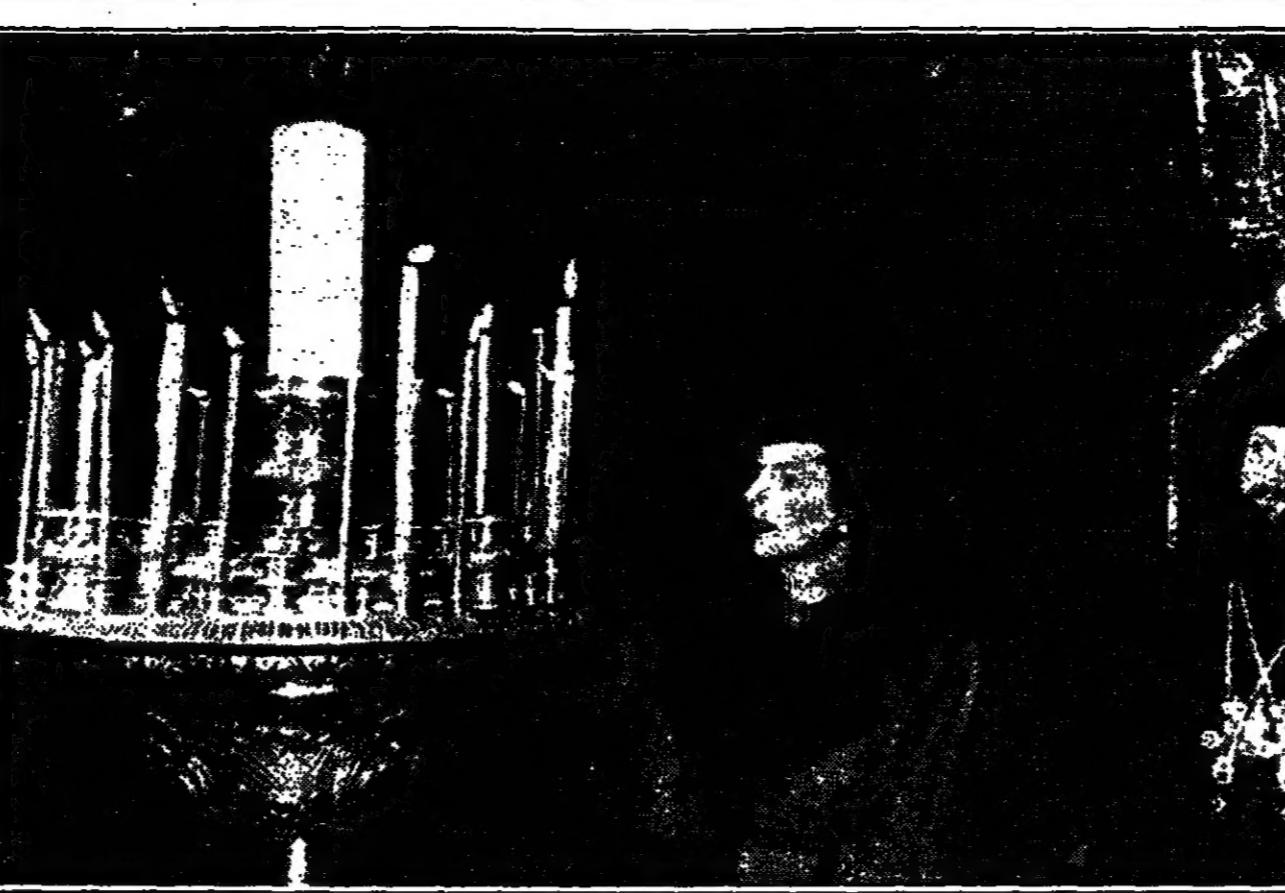
President Ronald Reagan and Mr. Nakasone are scheduled to meet in Washington on April 30. The experts said the two leaders are likely to pressure their subordinates to seek a solution to the dispute before the meeting.

Mr. Reagan and Mr. Nakasone also are known to have a good personal relationship, he noted, and Mr. Reagan is not likely to want to hurt Mr. Nakasone politically at home. "If you're Ronald Reagan, and your good friend Yasuhiro Nakasone is coming over to see you, you want this business to go well—for your own domestic reasons and because he's your ally."

Complicating matters is the fact that the U.S.-trade deficit with Japan, which reached nearly \$60 billion last year, has added to a protectionist mood in the United States. The issue is also seen as a threat to national security because of the importance of the tiny circuits in goods ranging from missiles and satellites to cars and clocks.

Although \$300 million worth of goods under tariff is relatively little given the size of the trade deficit, it could still sting and might set a bad precedent for Japanese trade.

The tariffs, scheduled to take effect April 17, are intended to force



Margaret Thatcher lighting a candle on Sunday at Saint Sergius Monastery near Moscow.

In Soviet, Thatcher Sets a Campaign Tone

By Howell Raines
New York Times Service

MOSCOW — Prime Minister Margaret Thatcher called her visit to the Soviet Union an "historic mission" for peace on Sunday, but her first full day in the country had the tone and trappings of an election campaign in her own country.

Trailed by three buses carrying British and American reporters, Mrs. Thatcher visited the Saint Sergius monastery in Zagorsk, outside Moscow, and toured a large housing project in the suburb of Krylatskoye.

At every stop, Mrs. Thatcher headed for the crowds of friendly, curious Russians, to the initial surprise of the Soviet security forces. At the 14th-century monastery in Zagorsk, the security men bailed furiously to drive back citizens and

journalists as Mrs. Thatcher tried to get on with her hand-shaking.

British officials fought just as hard to keep the British television film crews at Mrs. Thatcher's side. Sir Geoffrey Howe, the foreign secretary, was among those who got jostled and squeezed.

But in the end, Mrs. Thatcher's aides expressed confidence they had played as an intermediary on arms control, so Mrs. Thatcher and her aides shifted their attention to human rights, religious freedom and immigration.

On her flight to Moscow Saturday afternoon, Mrs. Thatcher said her willingness to trust Mr. Gorbachev on arms control would be influenced by how the Soviet Union treated its own citizens.

A Heavy Agenda

Karen De Young of The Washington Post reported from Moscow:

Mrs. Thatcher's visit, the first by

a British prime minister in 12 years, began with an airport honor guard and a band, and a flattering front-page picture of her in Pravda, the Communist Party daily.

Along with the photograph, a Pravda article pledged Soviet "respect for the people of Great Britain."

But the warm reception on Saturday, after which Mrs. Thatcher was taken to the Kremlin for a quick exchange of greetings with Mr. Gorbachev, followed an attack on her by the official Tass news agency.

A Tass article described British Prime Minister Margaret Thatcher as "a real Conservative" and "a woman of great strength and determination."

Mrs. Thatcher's visit, the first by

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Chirac Asks U.S. Not to Let Pact Imperil Europe

By Jim Hoagland
Washington Post Service

PARIS — Prime Minister Jacques Chirac has called on the Reagan administration to work closely with Europe to prevent the Soviet Union from gaining military advantages from the proposed elimination of medium-range nuclear missiles on the continent.

"An agreement on medium-range missiles must not undercut the overall balance of nuclear forces, and must not award an advantage in short-range missiles" that would negate the value of the medium-range accord, Mr. Chirac said Saturday in an interview. He left Sunday on an official visit to Washington that is politically and diplomatically vital for him.

Mr. Chirac will seek support from President Ronald Reagan for French efforts to forge a European security charter that would augment conventional defenses while France and Britain continue to expand their national nuclear forces.

The conservative French leader suggested that he remains skeptical about Soviet arms control initiatives.

Mr. Chirac will give Mr. Reagan a first-hand account of the strong private misgivings that French, British and, to a lesser extent, West German officials harbor about the impact of the proposed accord, despite their public support for Washington's decision to try to reach such an accord.

Stopping short of voicing those reservations in the interview Saturday, Mr. Chirac hinted that he would tell Mr. Reagan that France prefers no accord to one that does not contain Soviet commitments to negotiate limits on short-range missiles.

Hoping to oust President François Mitterrand, a Socialist, from office in elections next year, Mr. Chirac has seen his ranking in public opinion polls plummet in recent months because of domestic strife and a sagging economy that has not been revived by Mr. Chirac's program of tax cuts and financial deregulation.

But he made it clear Saturday that he feels he is now on the comeback trail, and the high-profile welcome he will receive in Washington on Tuesday may help him recover ground at home.

A Gaullist and leader of the conservative coalition that gained control of the French National Assembly from the Socialists in 1986, Mr. Chirac shares responsibility with Mr. Mitterrand for defense and foreign affairs.

Mr. Chirac, who stops off first in New York for a day of meetings with business and civic groups, arrives in Washington at a moment of lessening tension between France and the United States over a number of points and particularly over American demands that other countries support efforts to combat terrorism by directly confronting Libya and Syria. The French leader said he feels events have moved in his favor.

Seated before a roaring fire that periodically renewed by throwing on another log, Mr. Chirac was buoyed by the news Saturday that French-supported Chadian troops

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Walesa Urges A Protest of Higher Prices

United Press International

WARSAW — Prices of food and fuel in Poland rose Sunday as part of a government economic recovery program, prompting Lech Walesa, the leader of the outlawed Solidarity labor union, to call for a "major, determined protest."

Mr. Walesa, the 1983 Nobel Peace Prize laureate, said: "For the first time I resolutely oppose the increases as the only sign of the implementation of economic reform."

The increases were announced in a broadcast on state television after state-run stores closed for the weekend on Saturday night.

Mr. Walesa, speaking to a crowd of 1,500 people after attending a church service in Gdansk, said: "If we do not undertake a major, determined protest, the country will not embark on the road to reforms. I do not know whether protest will be possible today or tomorrow."

"Solidarity activists are ready to take any action in accordance with the will of the nation," he said. "We may lose another battle. We may lose against truncheons and tanks."

Details of Increases

Jackson Diehl of The Washington Post reported earlier from Warsaw:

The increases include 10 percent for meat, more than 15 percent for bread and milk, 20 percent for cigarettes and alcohol, and 25 percent for gasoline and butter. A government statement said the food-price increases averaged 9.6 percent.

Large increases in meat and other basic products have set off several political upheavals under Communist rule in Poland, and the present steps were considered particularly sensitive because of the strong opposition by official trade regulation.

After meetings with the government earlier in March, the unions, established after the suppression of Solidarity in December 1981, called the price increases "unacceptable to working people."

A statement reported by the official news agency PAP said that "the trade unions' opinions have been partly taken into account" and that, while some prices were reduced, "cushioning measures" proposed by the unions were also adopted for low-income groups.

However, Western observers said authorities may have made no significant changes in the price structure to please the unions. The official economic plan for this year, approved in December, forecast an overall rise in prices and workers' salaries this year of 14 percent.

The statement said that bus and other transportation fares would rise 30 percent later this year and announced immediate increases of

See POLAND, Page 6

These Tapes Are So Good, They're Scary — for Some

By John Burgess
Washington Post Service

TOKYO — The Japanese electronics companies that wrapped headphones around the world's ears and brought a night at the movies home to video recorders have begun selling another high-tech home entertainment system that could launch a new leisure revolution — if it isn't outlawed.

The new digital audio tape, or DAT, recorders that went on sale here at \$1,200 apiece this month are so good at reproducing music that U.S. record companies warn they could destroy the market for prerecorded records and tapes unless they are restricted.

Fearing that the record companies will persuade Congress to legislate against digital tape recorders, Japanese manufacturers have voluntarily refused to sell them in the United States and have hobbled the machines sold in Japan so they cannot work up to their full potential.

The result is a real-life example of the apocalyptic story of the 100-mile (160-kilometer) miracle carburetor, an imaginary invention supposedly so efficient that the gas-guzzling companies conspired to keep it off the market.

There is no miracle carburetor, but there

are digital tape recorders with all the familiar Japanese brand names — Aiwa, Technics, Sony, Sharp, Sanyo, Toshiba — and there is what the Japanese regard as an American conspiracy to keep them out of the United States.

The digital tape recorders are so good at reproducing sound that taped copies cannot

be told from the best originals even after several copies. The tiny digital tapes — half the size of conventional cassettes — sound as good as compact audio discs that already threaten to drive conventional records and tapes into extinction.

Digital tape recorders use technology similar to compact disc players and can make all-but-perfect copies of compact discs when the two devices are hooked together.

In Japan, copying a recording is not only common but legal. But in the United States,

gress would limit sales of the machines in the United States unless they include "spoiler" devices to block certain illicit copying. The recorders on sale in Japan do not have spoilers but have other provisions that restrict copying of compact discs.

The dispute has dismayed electronics companies here and, for the time being, has made exports unlikely. But makers are pressing ahead at home.

Toshinori Ito, an analyst at Daiwa Securities Research Institute, said, "The audio

industry regards DAT as the most important innovation it has, even more so than the compact disc."

In Europe, the Dutch firm of Philips NV, the dominant company in consumer electronics in the European Community, has been negotiating with the Japanese to delay introduction of DAT in the United States and in the EC, the International Herald Tribune reported from Brussels. Philips argues that DAT could confuse consumers and undermine the compact disc market.

[The company says it has the technological ability to market DAT, but that it would like to hold off for as long as possible. Philips is now reporting good profits from its compact disc sales and realizes that the introduction of DAT would jeopardize that income.]

[The company has lobbied the EC Commission to put up barriers to DAT, perhaps by requiring "spoilers," perhaps by imposing tariffs. Meanwhile, one of Philips' U.S. units, Polygram, a music firm, has joined in the U.S. music industry's battle to pass legislation against DAT.]

Electronics companies in Japan argue that DAT is inevitable and that consumers have a

See TAPE, Page 6

Greece-Turkey Dispute Over the Aegean Eases

By Alan Cowell
New York Times Service

ATHENS — Turkey was reported Sunday to have withdrawn a naval escort from a seismic research vessel in the Aegean as a crisis with Greece over oil-drilling rights continued to recede.

Newspapers in both countries claimed victory in the crisis, during which the two sides put their armed forces on alert to challenge perceived intentions by the other to drill for oil in disputed waters.

The confrontation brought the neighbors toward hostilities, prompting the United States and NATO to pressure both sides for restraint. Both nations are members of the North Atlantic Treaty Organization.

The crisis began to build earlier this year when Greece announced plans to nationalize the North Aegean Petroleum Corp., which planned to drill for oil off Thasos. Late last week, Turkey licensed its own state petroleum company to explore for oil in waters claimed by Greece, precipitating the confrontation.

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Behind the Greece-Turkey Dispute, a Failure to Communicate

By Alan Cowell
New York Times Service

ATHENS — At the height of the newest crisis between Greece and Turkey that shoved the two allies toward war, a small, but telling announcement was made and lost in the frenzy.

The Greek Orthodox Church, the announcement said, had canceled a march set for Monday, to protest the Socialist government's threatened takeover of vast church estates so as to display solidarity in difficult times for the nation.

Through the prism of Greek politics, the dispute with the church had been seen as possibly the most serious challenge to Prime Minister Andreas Papandreou in six years.

The message behind the cancellation, thus, seemed to be that in facing down what was depicted here as an American-backed threat from Turkey, Mr. Papandreou had played David to the twin Goliaths of Washington and Ankara, rallying foes behind him, containing crises at home and enhancing his stature as the defender of the nation.

Chad Frees 103 Rebels After Victory in North

Reuters

NDJAMENA — Chad released 103 former rebels on Sunday, two days after a major military victory by government forces over Libyan troops in the north.

The freed men once fought for former President Goukouni Oueddei, whose Popular Armed Forces, backed by Libya, was the main guerrilla group fighting the government until he broke with Tripoli last year.

They were freed at a ceremony in Ndjamena that followed a string of Chadian military successes against Libya culminating Friday in the capture of the strategic oasis of Faya-Largeau.

A Chadian communiqué released Saturday said 80 Libyan soldiers were killed when a Libyan column fleeing Faya-Largeau was intercepted by troops of President Hissene Habré near Zouar in the northwest.

It did not say whether any government troops were killed.

Government sources said an unspecified number of Libyans captured when Tripoli's main air base in northern Chad, Ouedi Doum, fell to Mr. Habré's men a week ago, had been moved to Ndjamena.

An official statement read Saturday over the national radio said Faya-Largeau, under Libya and rebel occupation since August 1983, was abandoned by the estimated 2,500 troops there.

Analysts said that retreating Libyan soldiers might try to pull back through the Tibesti mountain range to the disputed Aozou strip along the Libya-Chad border.

Libya claims historical sovereignty over this 42,000 square mile (110,000 square kilometer) strip of desert, which it annexed in 1973.

According to analysts, Colonel Muammar Gadhafi might try to regroup his forces in the Aozou strip, which could be fairly easily supplied from bases in Libya.

They said three escape routes could be used by Libyan troops fleeing Faya-Largeau. The most direct runs straight north and leads to the small Libyan-held outpost of Gourou, close to the Aozou strip.

But Mr. Habré's forces, who hold an array of military equipment and weapons seized at the nearby Ouedi Doum base, could inflict heavy casualties on the retreating Libyans, they said.

The second option would be to attempt to reach the Aozou strip

"He has done well," said one Greek analyst, normally critical of Mr. Papandreou. "He stood up to the Turks and gave the Americans a slap on the wrist. That goes down very well here."

The interplay between domestic politics and national affairs elicited some skepticism, too, from Mr. Papandreou's political adversaries.

"Are we really seeing a clash in the Aegean?" the conservative opposition newspaper *Mesiniavni* asked, "or are we watching ultra-expensive theater?"

And that seemed to touch on other lessons that prove worrisome not only to the United States, but to strategists who have come to see the North Atlantic Treaty Organization's fractious southeastern flank as a corrosive link in the chain of Western defenses.

During the crisis, Mr. Papandreou sought the suspension of operations at an important U.S. naval facility in Greece — a demand, more symbolic than substantive, that was subsequently withdrawn. At the

same time, the armed forces of his country and neighboring Turkey were on alert, facing one another with aircraft and warships in the Aegean, where there are oil deposits sought by both sides through competing territorial claims.

But how had it happened? How could two supposed allies, both armed by the United States, come so close to hostilities?

The answer lay partly in the twists of a recent history that have replaced a dialogue between Greece and Turkey, suspended in 1981, with two parallel monologues by Athens and Ankara, directed at equally chauvinistic domestic constituencies and toward Washington, but seemingly destined never to meet.

As one side challenges the other, the other sees no option but to issue a counter-challenge, until, in this progression, the options narrow in a way that recalls two persons squabbling over a hair-trigger rifle.

And thus the two nominal allies veered toward armed conflict, borne on tides of mistrust and possibly wilful misinterpretations of the other's intentions. At no stage did they talk directly to avert the crisis, which began building earlier this year when

Greece announced plans to nationalize the Canadian-led consortium called the North Aegean Petroleum Corp.

The consortium wanted to drill for oil in disputed waters 11 miles (about 18 kilometers) east of the Greek island of Thasos, and a reporter who traveled between Ankara and Athens as crisis loomed found little readiness on either side to read the other's

news analysis

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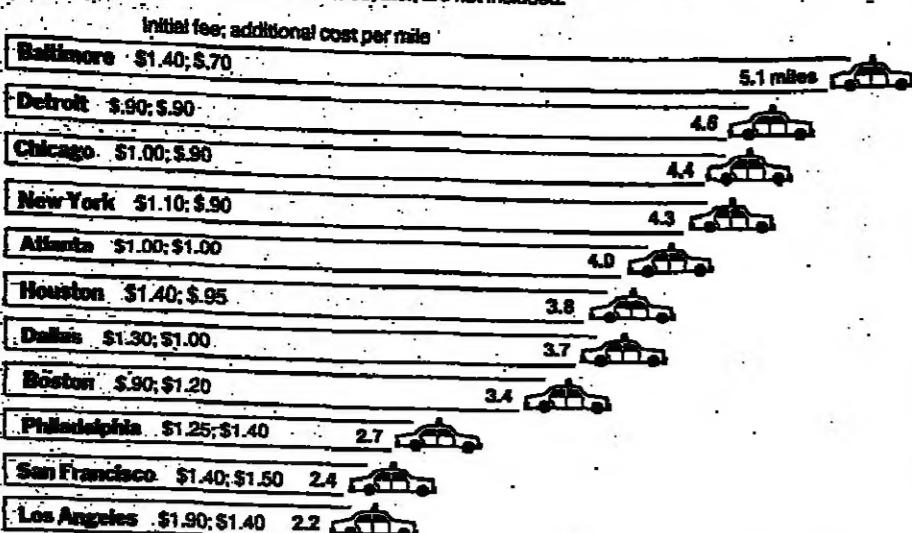
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AMERICAN TOPICS

11 Cities' Taxis: How Far for \$5?

Fares in each city and number of miles \$5 will cover, including initial charge. Extra charges for waiting time, rush hour premiums, minimum fares, etc., are not included.



Source: New York City Taxi and Limousine Commission
The New York Times

Present rankings for taxi cab rates in 11 U.S. cities, from cheapest to most expensive. An increase in New York rates, however, will make taxis there the eighth cheapest.

More Lawyers Opt For Part-time Work

More and more lawyers, especially women, are working part-time. Given the open-ended nature of legal work, this is more easily said than done. Although some lawyers work part-time to engage in pursuits like writing or acting, most are women who want to spend more time with their children. The Washington Post reports.

The trend poses new issues for a profession in which a normal full-time schedule entails much more than the standard 40-hour workweek. But with women accounting for nearly 40 percent of law school graduates, and with the demand for graduates of leading law schools still high, most law firms that permit part-time work see it as a necessary evil.

"It's something that we do to accommodate our lawyers when they have personal situations that they must cope with and we do what we can to assist them," said Edward Bruce, partner and personnel manager at Covington & Burling in Washington. But he added, "I don't think any law firm manager could ever sit down and say, 'I want to structure my firm so that we have part-time lawyers.'"

Short Takes

New York City's taxi commission has voted to raise cab fares by 22 percent, the first increase in seven years. This will give the typical driver the same income he had in 1980, adjusted for inflation. The initial charge will go up forty cents, to \$1.15, but the cost per mile will increase from 90 cents to \$1.20. The new rates are intended to encourage

drivers to take fares to the outer boroughs beyond Manhattan, where they often refuse to go. The increase will make New York taxis only the eighth cheapest of those in 11 major U.S. cities. Until now, they had been the fourth cheapest.

More than 600 guests of an investment banking firm are going to Alcatraz, but only for a party. The island in San Francisco Bay was a federal penitentiary from 1934 to 1963. It has been visited by 10 million tourists since 1972, when it became a national park, but April 27 will be the first time it has been rented for a party, by the San Francisco firm of Hambrecht & Quist.

How to be while literally telling the truth in letters of recommendation is explained by Robert Thornton, an economics professor at Lehigh University in Bethlehem, Pennsylvania. You are writing a letter for an extremely lazy friend. You do not want to lie, but you do not want to lose the friendship. So you write: "In my opinion, you will be very fortunate to get this person to work for you." To describe someone who is utterly inept: "I most enthusiastically recommend this candidate with no qualifications whatsoever." To describe someone not worth considering: "I would urge you to waste no time in making this candidate an offer of employment."

Notes About People

The Heritage Foundation, in a collection of panel discussions called "The Third Generation: Young Conservatives Look to the Future," changed the dedication from Whitaker Chambers, and wrote:

— ARTHUR HIGGINS

Pretoria Minister Killed, Suicide Suspected

United Press International

CAPE TOWN — John Wiley, the South African minister of environmental affairs and tourism, was found Sunday dead in his bed with a bullet wound in his right temple, the police said.

An police officer at the scene said it appeared that Mr. Wiley had committed suicide. A .32-caliber pistol was found beside him, and a police spokesman said that "no crime is suspected."

Sources at Parliament said that

Mr. Wiley, 60, a former attorney, had been involved in property speculation and had been trying recently to sell some of his holdings.

He joined the ruling National Party in 1960 and the cabinet in 1982.

Soviet-Czech Visit Set

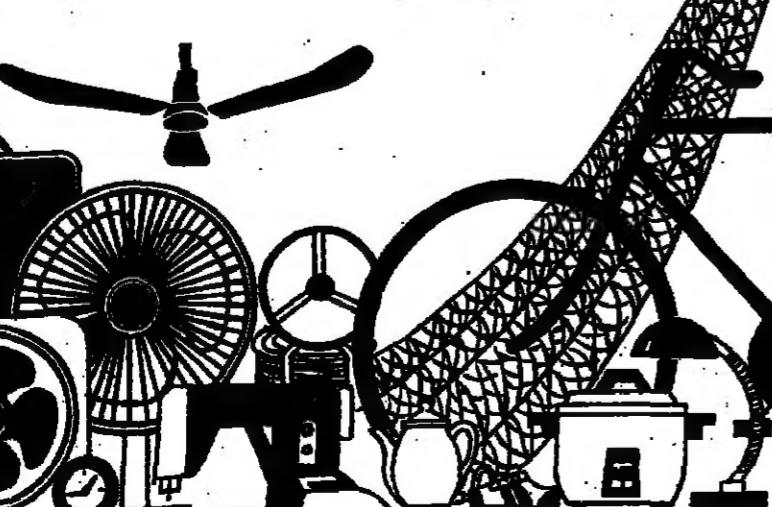
United Press International

MOSCOW — Mikhail S. Gorbachev, the Soviet leader, will make an official visit to Czechoslovakia early in April, Tass said Sunday.

First Among Equals

China National Light Industrial Products Imp. & Exp. Corp. Guangdong Branch is one of the leading export corporations in Guangdong. We're engaged in exporting various kinds of light industrial products such as electrical appliances, shoes, suitcases, bags, glassware, plastic ware, hardware, toys, stainless steel kitchen ware and other general merchandises.

For more information about our products, please contact us direct or come to see us at the "China Guangdong Export Commodities Fair" in Hamburg, West Germany from May 18 to May 27.



China National Light Industrial Products Imp. & Exp. Corp. Guangdong Branch
2 Qiao Guang Rd, Guangzhou, China. Tel: 331959
Cable: INDUKT GUANGZHOU Telex: 44447 KUIPC CN

GUANGDONG

TV Preachers: Deep Divisions on Style and Theology

By Robert Reinhold
New York Times Service

HOUSTON — The Jim Bakker episode has brought to the surface longstanding but latent doctrinal and stylistic divisions within the closely related but sometimes fiercely competitive family of American television preachers.

The resignation of Mr. Bakker as president of the PTL Network in Fort Mill, South Carolina, after he admitted having adultery with a church secretary six years ago, has deepened a growing rift between evangelicals like Mr. Bakker, who openly espouse an affluent style of life for Christians as reward for their belief, and those like the Reverend Jimmy Swaggart of Baton Rouge, Louisiana, who preach a sterner version of the Gospel and prefer an image of austerity.

Mr. Swaggart, who belongs to the same Assemblies of God denomination and holds the same Pentecostal or charismatic religious tenets as Mr. Bakker, brought about the PTL leader's fall from grace.

But while both may be members of the Pentecostal movement, which stresses personal spiritual experience, Mr. Swaggart and others like him have little patience with the cheerful, expect-a-miracle preaching of Mr. Bakker, whose PTL organization runs a Christian theme park.

"The Gospel is not entertainment," Mr. Swaggart told The Associated Press on Friday in a pointed reference to Mr. Bakker. "It is very sober. It has no place for amusement parks."

The television preachers involved in the Bakker episode all espouse a form of Christianity that is peculiarly American in its origins and practice. Broadly speaking, they are evangelicals who zealously seek converts and believe that salvation will be achieved through personal "rebirth" or conversion.

But beyond that, the group is deeply divided in both style and theology, and the divisions have become all the more complex and confusing, given the unlikely alliances and antipathies that have emerged since Mr. Bakker's resignation.

Mr. Swaggart, ostensibly similar theologically, has emerged as Mr. Bakker's chief foe. And oddly, from a theological viewpoint, Mr. Bakker was replaced at PTL by the Reverend Jerry Falwell, a fundamentalist from Lynchburg, Virginia, who has long shunned charismatic television preachers.

Their ideas followed the growth of charismatic religion among the affluent beginning in the 1960s, according to Professor Martin E. Marty, an expert of modern Christianity at the University of Chicago. People were encouraged to give money and gain more in return, Mr. Marty said, comparing the appeal of the television shows to that of a lottery.

Thus instant gratification, in his view, replaced self-denial. Where once religious women did not wear makeup, fancy clothes or revealing swimsuits, Mr. Bakker and his wife, Tammy Faye, not only encouraged beauty contests but even marketed their own line of cosmetics.

"It largely amounts to rationalization of upward mobility," said Professor William Martin, a sociologist of religion at Rice University in Houston. "It also serves to justify the lavish life of a preacher like Mr. Bakker. God wanted it."

Many others find this Bakker gospel a little too soft when it comes to sin and forgiveness. And so theologians were unsurprised when Mr. Swaggart, whose harsh style contrasts sharply with Mr. Bakker's, emerged to expose the latter's adultery.

"On the surface they appear very similar, but they have a radically different perception of God and theology."

In contrast to Mr. Bakker and Mr. Roberts, Mr. Swaggart is more apt to damn the sinner and name names.

But that PTL should have fallen into the hands of a fundamentalist like Mr. Falwell stunned scholars.

Mr. Falwell, a nondenominational Independent Baptist who considers himself stricter than Southern Baptists, comes from a rigid tradition that believes in the "inerrancy" of the Bible.

He has long been uncomfortable with speaking in "tongues" and other manifestations of Pentecostalism, and he eschews revival theatries. Mr. Marty said fundamentalists like Mr. Falwell are highly rationalistic and structured, and suspicious of the unexpected revelations of the charismatics.

Bakker's chief foe. And oddly, from a theological viewpoint, Mr. Bakker was replaced at PTL by the Reverend Jerry Falwell, a fundamentalist from Lynchburg, Virginia, who has long shunned charismatic television preachers.

But Mr. Bakker gained support from another charismatic, the Reverend Oral Roberts of Tulsa, Oklahoma. On the periphery of the dispute are the Reverend Pat Robertson of Virginia Beach, Vir-

Tina, and the Reverend Jim Jones of Peoples Temple in San Francisco.

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OPINION

Herald Tribune

Published With The New York Times and The Washington Post

Trade Is in Trouble

Momentous decisions being made in Washington now rock the world economy. On Friday President Reagan announced the most sweeping trade sanctions against Japan since World War II, in retaliation for alleged dumping of computer chips. Meanwhile, new and restrictive trade legislation winds its way through Congress. Unmistakably, the danger signals flash. Unquestionably, world leaders have to put free and fair trade back at the top of their agenda, and quickly.

If Mr. Reagan's facts are correct about Japanese violations of agreements on semiconductors, his response seems appropriate — as an interim step. He proposes to slap as much as 100 percent duties on key Japanese imports. No long-term solution, to be sure. But, handled with care, it should start a process of verifying exactly what went wrong on the semiconductor agreement, and fix Japanese attention on the larger problem.

It is not clear how the Reagan response will affect protectionist fervor in Congress. It comes at just that point where at least some legislators are attacking the key question: Is it possible to satisfy the politics of protectionism and still preserve the benefits of free trade? Dan Rostenkowski, master of ways and means committee, has designed a trade bill that comes remarkably close.

The Rostenkowski plan, now approved by his committee, is a good start, but the House may still produce as bad a bill as it

— THE NEW YORK TIMES.

Waiting for La Prensa

Violeta Chamorro, publisher of *La Prensa* in Managua, was in Washington Friday to receive an award. She and her newspaper, which the Sandinist regime has kept from publishing since last June, deserve 10 awards. They are the underdogs in an uphill struggle, and despite great pressures and hardships they refuse to leave the field. In the — literally — minutes between the regime's pronouncement of a new free press constitution and its declaration of a state of siege in January, for instance, *La Prensa* sought to publish a daily edition and was refused.

The Sandinists silenced *La Prensa* and the few remaining independent radio stations in order to consolidate their media monopoly and to deny to their democratic opposition the vital means of communication and solidarity. For the same reasons, prisoners are isolated in separate cells. *La Prensa* had been accused of violating no laws. It was denied due process. Since that time the government has allowed the owners of *La Prensa* to hold their property and to keep on a small staff but, of course, not to publish. In that way the paper is kept in a token state of formal suspension, and the Chamorro resources are drained.

Mrs. Chamorro takes no part in "the debate over armed struggle" — in the issue of support for the Nicaraguan armed resistance that is at the center of U.S. attention.

— THE WASHINGTON POST.

A Relic in Paraguay

When Clyde Taylor, U.S. ambassador to Paraguay, protests the barbarities of South America's oldest dictatorship and defends its beleaguered democrats, he faithfully expresses the best values and the most sensible interests of the American people.

General Alfredo Stroessner, the Paraguayan strongman, would deny all that, and more. He is enraged by Ambassador Taylor's forthright protest against censorship, his meetings with opposition figures and his calls for transition to democracy. The general's loyalists have threatened to burn down the U.S. Embassy. They recently staged a tear gas attack on a reception given in Mr. Taylor's honor. These are affronts to decency, to the United States and to the laws governing the treatment of diplomats.

Ambassador Taylor's performance puts him on the diplomatic honor roll, along with career Foreign Service colleagues like Harry Barnes in Chile, Deane Hinton in Pakistan and Stephen Bosworth, now departing the Philippines. All have combined courage with effective diplomacy in delicate assignments. Their performance has helped guide the United States toward wise and

— THE NEW YORK TIMES.

Other Comment**Put British Interests First**

We are now paying the price of our own foolishness. We have refused to face facts and have persisted in burdening our industry with an overvalued exchange rate, high interest rates and domestic deflation. As a consequence, we have handed to the Japanese a major share of our markets both at home and abroad. We have then compounded this error by insisting on our faith in free trade. It is little wonder, in the light of this self-delusion and incompetence, that the Japanese now regard our political leaders with almost open contempt.

The Japanese still have a huge margin of competitiveness, based on the very low unit costs they are able to achieve by selling mass-produced manufactured goods to the world. It is on the basis of this manufacturing success that they have achieved a per capita income more than twice as high as ours. What is now required is a long-term strategy to redress the competitive imbalance.

— Bryan Gould, the Labor Party's election campaign coordinator and a member of Parliament, writing in *The Sunday Times* (London).**INTERNATIONAL HERALD TRIBUNE**

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Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel: 472-7768. Tel: RS 56928 Managing Dir. Asia: Malcolm Glenn, 50 Gloucester Road, Hong Kong. Tel: 5-8610616. Telex: 6170 Managing Dir. U.K.: Robin MacKintosh, 63 Long Acre, London WC2A. Tel: 836-4902. Telex: 262009 Gen. Dir. Europe: W. Lester Gammie, 13, 8000 Frankfurt/M. Tel: 069 726733. Tel: 421775 Pres. U.S. Michael Crowley, 350 Third Ave., New York, N.Y. 10022. Tel: (212) 732-5804. Telex: 421775 S.A. capital de 1.200.000 F. RCS Nanterre B 732C1126. Commission Paritaire No. 6137

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**The Stalinist Damage to Be Undone Is Enormous**

By William Pfaff

LENINGRAD — This is a middle-class city deprived of a middle class. The Italianate 18th century houses and shops that line the streets which parallel the Neva River and the city's canals are shoddy and dirty, uninhabited, while the monuments of imperial Russia — Winter Palace and Hermitage, Peter the Great's Admiralty, the Orthodox cathedrals of the old regime — have been aggressively restored by the Communist authorities to what surely is a more gold-leaved and vulgar splendor than they possessed before.

Why? Some say it is to gratify the pride of Russians in their national past. Some might think it is to intimidate the people with evidence of what it was that the revolution overthrew. Possibly it is both. This is a time of confusion for Russians. Mikhail Gorbachev's *glasnost* adds to a dangerous confusion.

Scarley 300 kilometers from here is Helsinki. Finland also underwent terrible ordeals in World War II, and after the war the Finns had to pay huge reparations to the Soviet Union.

Today Helsinki is a bustling, efficient, European city in a prosperous welfare state. Leningrad resembles a Third World capital. Its great buildings are irrelevant monuments, left behind from a colonial age that no one now alive can remember.

Why should such a contrast exist between two places with connected histories and much the same resources and population? The difference

never has been able to meet the agricultural needs of the country, which before had been a food exporter.

With the aristocracy, the propertied middle class and the independent peasantry destroyed, Stalin turned on the intelligentsia, both the liberal and revolutionary intellectuals who had supported the revolution and dominated the Bolshevik Party in its early years. In the great purges of the 1930s and 1940s he murdered them.

One is tempted to say he murdered them all. The 1936-1938 purge alone claimed some seven to eight million victims, half of them killed, including a third of the membership of the Soviet Communist Party, six out of 13 members of the Politburo, a third of the membership of the Supreme Soviet, 1,100 out of 1,966 delegates to the 1934 party congress, three of the Red Army's five marshals, 13 out of 15 army commanders, etc.

The result was a nation in which intelligence had been mercilessly suppressed, sophistication hunted down, independent judgment made a penal offense. Stalin was succeeded by inadequate and terrorized men who had made careers in his shadow.

The best was Nikita Khrushchev, an uneducated man of peasant origin who possessed the moral equilibrium to reveal what had gone on under Stalin, and to take the first steps toward lifting the legacy of horror.

He was found too original by the dim and frightened men who still dominate the party, and he was removed.

The significance of *glasnost* under Mikhail Gorbachev is that a new intelligentsia has finally come to power, a bureaucratic and bourgeois one which has grown up since Stalin's time, aware of the outer world and its standards. It is able to make comparisons with other systems, and serious enough to draw pragmatic conclusions.

It is amply aware that the Soviet Union, relative to the United States, Japan and Western Europe, is a nation in decline.

It is an intelligentsia in rebellion against lies — the aggressive but pathetic lies that Soviet leaders have been telling for 70 years. One of the projects now under way is a new rewriting of Soviet history; the ambition is to eliminate lies.

To stop the lies is an immense undertaking. Russian history is full of grand ambitions badly executed, eventually aborted. That the Gorbachev reforms will succeed is open to the most serious doubt.

No one knows what they would produce even if they succeeded. They are being attempted because the situation in which Mr. Gorbachev finds himself allows no choice.

Contrary to ideas current in Washington, the outlook before the Soviet Union is bleak. And Mr. Gorbachev is working against time.

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Democrats and Taxes: The Speaker Has a Problem

By Tom Wicker

NEW YORK — Speaker Jim Wright, among other Democrats, has been chastised for a "political death wish" — wanting to raise taxes to reduce the federal deficit. But Congressman Wright recently insisted over lunch that he has a problem that only a tax increase can ease.

President Reagan has sent Congress his annual dishonest budget, as usual featuring inflated revenue estimates, new taxes disguised as "user fees" and spending cuts that no one believes can be made. This spurious document does project, however, a fiscal 1988 deficit of about \$108 billion — the legal limit set by the Gramm-Rudman-Hollings law passed by a panicky Congress with the support of Jim Wright.

The president's budget has put the Democrats under pressure to produce their own budget, with a deficit of about the same size. They say it cannot be done honestly without cuts in essential government services that congressional constituents would never accept; or without tax increases to produce additional revenues; or without a combination of spending reductions and new taxes.

Complicating the matter is Mr. Reagan's adamant stand against new taxes, except for the subterfuges he has himself proposed. Jim Wright's problem, and that of other Democratic leaders in the House and Senate, is that they must either risk Mr. Reagan's denunciation and veto of a tax increase, or labor under his potent charges that their failure to meet the arbitrary Gramm-Rudman deficit target confirms them as

this nor the better of the resulting political argument with the president and his party.

• They could repeat Gramm-Rudman and go on the offensive by initiating a big public works program to reduce unemployment massively. This would initially increase the deficit but ultimately reduce it by about \$30 billion a year for each percentage point cut from the unemployment rate.

Mr. Wright, not personally unsympathetic to this idea, throws up his hands at the prospect of getting it through a deficit-conscious Congress, past Mr. Reagan's veto and across to the public.

The speaker's view is that no program costing big money is politically possible until the deficit has been substantially reduced — and he believes that is what Mr. Reagan has had in mind all along.

So Mr. Wright will continue to push for a new tax, in the somewhat forlorn hope that a weakened president can be pressured into supporting it. Mr. Reagan did limit his opposition at his recent news conference to a "tax-rate" increase, which suggests that he might accept a new gasoline tax or an oil import fee — particularly if it had the support of Howard Baker, now the president's senior adviser. Chairman Dan Rostenkowski of the Ways and Means Committee also favors that approach.

• The Democrats could repeal Gramm-Rudman, produce an honest budget and blame its high deficit on Ronald Reagan's 1981 tax cuts and his profligate military spending. But Mr. Wright's political judgment is that congressional Democrats would have neither the courage to do

The New York Times.

NATO: United They Stand on a Splintered Pedestal

By Giles Merritt

BRUSSELS — The trans-Atlantic rift in NATO goes a good deal deeper than we think. The tensions now being created by the superpowers' "zero option" negotiations over the Europeans' heads on scrapping Euro-missiles, and by European ambitions for a defense policy forum parallel to NATO from which America would be excluded, are serious. But they are only the symptoms of a malaise that NATO has been incubating for years.

The decoupling of American and European defense policies is in some ways already far advanced. In strate-

tic terms — security of the Gulf oil supply routes, for instance — NATO will remain united. But there is much more to a defensive alliance than unity in the face of a common foe.

NATO is being torn by the bitter rivalries of the American and European defense industries, and by dissension between governments over the cost of defense. The United States accuses Europe of not paying its "fair share" of NATO's costs. Europeans resent the way American companies still grab the lion's share of NATO arms procurement contracts.

Jealousy and dissatisfaction have multiplied in the 1980s. Economic recession and the scramble to avoid losing out in the high-tech revolution of computers and microelectronics have made defense contracts more important than ever. Competition between the aerospace and advanced weapons technology companies within NATO is made razor sharp by the knowledge that defense work is increasingly the key to survival and technological supremacy.

Europe's failing computer companies know that IBM became a colossus with \$50 billion-plus annual sales thanks to defense spending. Only 25 years ago, IBM was selling just 20 percent of its computers on the commercial market. The rest was going to the Pentagon and to other U.S. government purchasers.

European industrialists would like that sort of a shot in the arm for themselves. But they have discovered, with mounting alarm, that NATO

procurement is very tightly tied up by the big American defense companies.

Britain, France, West Germany and Italy, the major arms manufacturers in Europe, take between 73 and 89 percent of their arms imports from the United States, rather than from each other. As to the "two-way street" that Washington used to talk about when reassuring Europe that the Pentagon would turn buy lots of non-American defense equipment, it is nowadays a 7-to-1 imbalance in U.S. industry's favor.

The West European defense and aerospace companies have well over a million jobs on their payrolls, and they know that military contracts will probably decide which of them survive into the 1990s. They also know that research and development work on advanced weapons systems ensures a company a place in the forefront of new industrial technologies.

To boost their cross-border armaments ventures and to cut out wasteful duplications, the European NATO allies have resorted to coordinating mechanisms like Eurogroup and the independent European Planning Group. The way forward, say European experts, is to harness the common market framework to the problem and build a new "European defense industrial community."

To American eyes, NATO's taxpayers contribute \$110 billion a year to defense, while the U.S. defense budget is three times that. In Europe, analysts say that if living standards, currency fluctuations and other eco-

nomic factors are taken into account, a country like Britain is in real terms paying almost half again as much per capita for defense as America.

More squabbling is the last thing the alliance needs as it heads toward a U.S.-Soviet arms control pact that risks being profoundly divisive inside NATO. But if, as seems increasingly likely, the United States and the West Europeans are going to have to restate their security and defense relationship, then these are issues that must not be left to fester.

International Herald Tribune.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: A Minimum Wage

LONDON — The Minimum Wage Bill became law with the notification on March 29 of the Royal Assent. The indications from nearly all the great coalfields that the miners' ballot will result in a large majority accepting the bill and returning to work forthwith. Prominent leaders of the men have spoken in favor of the early restarting of the pits. All was quiet at Chirk, North Wales, on March 29, but a miner who had returned to work under military protection at the Brynmawr colliery having been killed by an accident in the pit, the other men ceased working. The man had been at work only a short time when a fall of the roof occurred, and he was crushed against a sharp stone. When the soldiers guarding the mine learnt of the accident, they subscribed £11 for the widow and family.

1937: Savings or Taxes

WASHINGTON — On the basis of current Treasury figures, informed sources stated that President Roosevelt is confronted with a choice of either curtailting spending or levying new taxes in order to balance the budget. Revenue is estimated at more than \$400,000,000 below the Treasury estimates, while the situation is expected to be made worse by the new spending proposals before Congress. Included among these is between \$100,000,000 and \$150,000,000 for the low rent housing plan and farm tenant program. Harry L. Hopkins, Federal Emergency Relief director, has been lobbying for a permanent annual appropriation of \$2,500,000,000 which, if adopted, would make it almost certain the budget would not be balanced for another entire fiscal year.

Irangate: Questions For Shultz

By Jim Hoagland

PARIS — It is hard to explain to foreign friends why a man as well connected as George Shultz has to go to Capitol Hill rattling a tin cup and pleading with Congress to restore the State Department's budget cuts.

"If we are to continue our role as a world power," the secretary of state warned an apparently flinty-faced House subcommittee, "we must be prepared to fund a foreign affairs policy and a budget for operations of the size and dimension to support it."

Why doesn't Mr. Shultz simply turn to the sultan of Brunei, or those other oil-rich covert spendthrifts, the Saudis, and ask them to pitch in a couple of extra hundred million to bolster foreign aid and save the seven U.S. consultees that Mr. Shultz is closing this year for lack of money?

Aquino Gives Backing to Vigilante Organization

The Associated Press

DAVAO, Philippines — President Corazon C. Aquino, blaming both leftist and rightist extremists for continued political instability, endorsed Sunday a vigilante group as an example of "people power-fighting Communist insurgents."

Mrs. Aquino made her remarks in Davao and Zamboanga, two major metropolitan centers on Mindanao Island, where she was campaigning for her 24 Senate candidates. The election is scheduled for May.

In other developments, the Philippine military remained on full alert against rebel attacks on Sunday, which was the 18th anniversary of the founding of the New People's Army, the armed wing of the Communist Party.

No attacks were reported on Sunday. But the Philippines News Agency said 12 persons, including five rebels, were killed in separate clashes Saturday in the provinces of Isabela and Pampanga.

Mrs. Aquino told a crowd of 5,000 people in Davao that she was pleased that local officials relied on "people power" to take care of the citizens without the use of arms."

Her remarks referred to the formation this month of an anti-Communist vigilante group, the United Association for Peace, or NAKASAKA, which operates in nearby Davao del Sur province.

"I believe we must be united to protect our citizens against the left and the right," she said.

Military officials say the group's members are not issued weapons, but they man checkpoints and conduct patrols to seek out rebels. The military, however, has armed another group, Alsa Mara, which operates in Davao.

Some Philippine journalists and human rights groups have criticized such groups as a potential source of human rights violations.

Earlier Sunday, Mrs. Aquino urged a crowd of about 30,000 in Zamboanga to vote for her Senate candidates to restore the country's stability.



Deputy Prime Minister Yao Yili speaking to reporters.

Chinese Aides Say Zhao Will Give Up One Post

By Edward A. Gargan
New York Times Service

BELING — Zhao Ziyang will remain both prime minister and acting Communist Party leader only until a party congress convenes in September, according to Chinese officials.

They said Saturday that the congress, the 13th such party gathering, would announce the future composition of the leadership as well as a separation of powers between party and government.

These prospects were announced at an unusual news conference held by three deputy prime ministers, Li Peng, Yao Yili and Tian Jiyun.

Mr. Yao, speaking two days after signing an agreement with Portugal on the return of Macao to Chinese sovereignty in 1999, said China would not rule out the use of force to retake Taiwan.

"We have not eliminated the possibility that it will be taken with nonpeaceful means," he said.

The deputy prime ministers spent two hours answering questions from Chinese and Western journalists covering the current session of the National People's Con-

gress, the nominal legislature. The topics ranged from the dismissal of Hu Yaobang as party leader to the campaign against Western ideas.

"The major faults and errors committed by Hu Yaobang were that he was weak and ineffective in the struggle against bourgeois liberalization," Mr. Yao said.

Mr. Yao said that Mr. Hu had been making mistakes throughout his career, but that these had not been a factor in his removal.

Stressing that Mr. Zhao would not head both the government and the party indefinitely, Mr. Yao said, "This question can be settled at the 13th party congress."

It was the first time that the leadership has said that Mr. Zhao will eventually give up one of the two jobs he now holds. Mr. Zhao became acting general secretary of the Communist Party in January after the removal of Mr. Hu.

Deputy Prime Minister Li said there would be a compulsory system of sending students to the countryside or factories because they "are divorced from practical experience."

The army spokesman said that the clash occurred Saturday evening near the village of Yatay,

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Law Minister Quits, Assails Gandhi Role

New York Times Service

NEW DELHI — A top Indian Cabinet minister has resigned, saying "self-deception" by the Congress (I) Party of Prime Minister Rajiv Gandhi had led to the party's crushing defeat in elections in the Marxist-controlled state of West Bengal last week.

"We allowed ourselves to be duped by self-deception and covered our eyes with blinkers," the official, Ashoke K. Sen, the minister of law and justice, said Friday. "We were not prepared to face the reality of the damage which was coming imperceptibly but steadily to overwhelm us."

Mr. Sen did not directly criticize the prime minister in his statement in Calcutta and said he wished to bear "at least some responsibility for this inglorious defeat." But he charged that senior leaders like himself had been ignored in the election campaign. That complaint has been made before against Mr. Gandhi.

The Congress (I) Party was also defeated in Kerala state in the south but won in Kashmir, where it was allied with a powerful regional party.

The party, which has a huge majority in the national Parliament, has lost to leftists in West Bengal in three consecutive elections. But the rout in the election Monday was the worst: the party won only 40 seats. It won 52 in the previous election.

Mr. Gandhi has said the defeat do not reflect any lessening of his popularity, and he told Congress Party members of parliament on Wednesday, "The results should not dishearten us."

U.S. Will Detail How South Africa Gets Israeli, West European Arms

By John M. Goshko
Washington Post Service

WASHINGTON — The Reagan administration will report to Congress this week that South Africa has been receiving weapons from Israel and several of the United States' West European allies in the North Atlantic Treaty Organization in defiance of a United Nations embargo.

Administration sources said the report, which was mandated by Congress as part of U.S. sanctions against South Africa, will name France, Britain, West Germany, Italy and Switzerland as providing arms to Pretoria. All except Switzerland are NATO members.

It has been an open secret for years that South Africa has purchased weapons and military-related equipment from West European nations. However, unlike the situation involving Israel, where governmental ownership of the Israeli arms industry has meant a government-to-government relationship, South Africa's European dealings have been with private manufacturers or dealers.

In some cases, the deals have been acknowledged by West European governments. More often, though, they have been conducted through a network of dummy corporations and sales to third-party agents that have allowed these governments to deny knowledge of sales to South Africa or to contend that they were done in contravention of official efforts to enforce the United Nations embargo of 1977.

For these reasons, the sources said, the West European transactions will not have the same potential for causing tension with Washington as will the report's finding that successive Israeli governments actively condoned and sought an

arms-supply relationship with South Africa to help defray the costs of maintaining a large and expensive defense industry.

Nonetheless, the sources added, the report will describe South Africa's West European connections with a level of detail that could prove embarrassing for internal NATO relationships. As a result, the sources said, the plan is to classify most of the report as secret and to make public only a short, sanitized version.

The report's findings about Israel, whose annual arms sales to South Africa are usually estimated at around \$125 million, have been widely anticipated. One unconfirmed report in Israel said the annual sales are \$600 million to \$800 million.

The report's findings are particularly important because the sanc-

tions legislation calls for Congress to consider cutting off military aid to countries that maintain an arms-supply relationship with Pretoria in defiance of the embargo. Unlike Israel, the West European countries do not receive U.S. military assistance.

The sources said that when Prime Minister Yitzhak Shamir of Israel visited here last month, he was put on notice that the anticipated report could jeopardize Israel's status as the largest recipient of U.S. military assistance.

Jewish leaders in the United States have warned Israel that a dispute over the South African sales could be damaging at a time when Washington has been angered by the promotion of two Israeli officials involved in the Jonathan Pollard spy scandal. Mr. Pollard is an American convicted of espionage on Israel's behalf.

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Despite this seeming loss of face, Mr. Ozal returned home to Ankara on Sunday to a welcome of thousands of jubilant supporters. The Turkish leader, 59, underwent triple heart bypass surgery in Houston on Feb. 10 and had been out of Turkey for almost two months.

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Bomb Kills 8 Near a Hotel Syrians Use In Beirut

By Samira Kawar
Washington Post Service

AMMAN — King Hussein of Jordan will visit Washington soon at the invitation of the Reagan administration if progress can be achieved on holding an international Middle East peace conference, a senior Jordanian official disclosed Sunday.

The prime minister, Zaid al-Rifai, and the foreign minister, Taher al-Masri, will go to Washington on April 5 to assess whether progress toward such a conference could be expected during a visit by the king, the official said.

Hussein and President Hosni Mubarak of Egypt were invited by the administration to visit Washington in March, but both declined.

"King Hussein is not interested in visiting Washington simply so that the Americans can point to a strong, moderate Arab leader's visit to the United States," the official said Friday.

In addition, the official said, administration officials believe there is no hope now for serious dialogue with Iran and want to reinvigorate the effort to stem the covert flow of arms from Western countries to Tehran. The secret sales of U.S. arms to the Iranian government had set back U.S. relations with moderate Arab states.

The official said that the need for more active diplomacy had been recognized after a series of interagency meetings beginning in early February. He said that in addition

to Mr. Reagan, the meetings at times included Secretary of State George P. Shultz; the national security adviser, Frank C. Carlucci; and the White House chief of staff, Howard H. Baker Jr.

The change in Middle East policy, he said, includes increasing U.S. military strength in the Gulf to bolster moderate Arab governments there and providing stronger support for an international peace conference with participation by the Soviet Union.

The official said that "a number of ships" had been added to the conference.

U.S. force in the Gulf. He also said there had been a decision to move some ships farther north toward Kuwait, and that an offer had been made to escort Kuwaiti tankers.

"If the government of Israel establishes diplomatic relations with the Soviet Union and wants the Soviet Union to participate in an international conference," the official said, "I'm sure the United States would have no objections."

Until recently, Mr. Shultz had expressed strong reservations about Soviet participation in such a conference.

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CITY, COUNTRY, POSTAL CODE:
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JAPAN: Reactions to Sanctions

(Continued from Page 1)
another former State Department official said.

"It might get contagious," he said, "so there are strong incentives for them to avoid it."

The U.S. announcement of the tariffs was greeted with anger in Japan and satisfaction in the United States.

In a strongly worded protest, Japan called on Mr. Reagan to reverse his decision. Although government officials publicly denied that they would retaliate, one senior official warned that Japan would consider sanctions of its own against American products.

Japan's minister of international

trade and industry, Hajime Tamura, said the action was "most regrettable" and called for emergency talks with the United States.

If the tariffs were imposed, he said, Japan would "take appropriate measures, including those in pursuance of the GATT."

Under the General Agreement on Tariffs and Trade, Japan could protest the U.S. decision as violating the rules prohibiting members from unilaterally imposing discriminatory tariffs without the approval of the country affected.

Mr. Tamura also said Japan would consider canceling the semiconductor agreement that is at the heart of the current dispute.

Mr. Tamura argued that Japan had done everything it could to uphold the agreement, noting that it had asked Japanese companies to cut production. The cut was sought to force prices up and curb supplies to a "gray market" in which semiconductors are still being dumped, or sold at prices below the prices stipulated by the accord.

Japanese chip makers also reacted angrily to the announcement, saying that it was incorrect to allege that they had failed to live up to the agreement.

Shoichi Saba, head of the Electronic Industries Association of Japan, said it was "premature and even irrational to attempt an assessment of the impact of the agreement and our efforts to comply with it only six months after concluding the agreement."

In the United States, the announcement won a warm reception from some congressmen.

Senator Pete Wilson, Republican of California and chief sponsor of a Senate resolution calling for retaliation against Japan, said Friday's action showed there was an "end to the Reagan administration's patience."

Impact on Nakasone

Clyde Haberman of The New York Times reported from Tokyo:

In approving retaliatory trade measures against Japan on Friday, Mr. Reagan may have harmed not only Japanese exporters but also his close ally, Mr. Nakasone.

Political analysts and foreign diplomats say that the president's action could have the unintended effect of undercutting Mr. Nakasone, who was already mired in his deepest political crisis since taking office four and a half years ago.

The prime minister had cultivated a reputation as a master craftsman of foreign policy. In particular, he had emphasized his warm relationship with Mr. Reagan. To have the president impose trade sanctions may raise questions among Japanese about Mr. Nakasone's effectiveness, several analysts said.

"There's no question this would hurt any prime minister," a diplomat said.

Digital equipment works by "sampling" a sound more than 40,000 times per second. The recorder assigns a number to each fragment of sound and the resulting stream of numbers is put on a tape or disc. The numbers are read and reconstructed into sound at the other end. There is no record surface to wear.

Prices are high at present — about \$1,200 per unit — and sales probably number only in the thousands. But the companies predict prices will drop quickly as they did with compact disc players after they were introduced in 1982. Prices for compact disc players started at \$1,000 and up but quickly plunged to about \$200.



SUKARNO POPULARITY REVIVED — Supporters of the Indonesian Democratic Party wave images of former President Sukarno, the country's first president who died in near disgrace in 1970, at a campaign rally on

Sunday. The party, whose main faction was founded more than 50 years ago by Mr. Sukarno, is embracing the former president in hopes of increasing its share of the vote in the general elections scheduled for April 23.

TAPE: Sounds So Good

(Continued from Page 1)
right to the newest and most advanced machines possible.

"To refrain from production due to objections about software — that would be technological regression," said Akira Nagano, a spokesman for Matsushita Electric Industrial Co., maker of Panasonic, National and Technics brands of home electronic equipment.

The dispute is rooted in a long-standing rivalry: Japan's primacy in electronics hardware, such as DAT, versus the superiority of the United States and Western Europe in software, such as records and tapes.

What worries U.S. companies is the use of the Japanese hardware to pirate the American software.

Conventional "analog" sound recording is essentially a refinement of the mechanical process invented by Edison a century ago. Sound waves are physically mirrored in a recording medium as grooves on a record or magnetic patterns on a tape — and then turned back into sound by the player. The sound invariably includes noise from imperfections in the tape or record surface and even the finest machines cannot reproduce the full range of sounds.

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MARINES: Charges Against Moscow Guards Widened VISIT:

Thatcher in Soviet

(Continued from Page 1)
to give lessons to Moscow on these or any other issue.

So far, Moscow does not seem to have decided which face to turn to Mrs. Thatcher.

While it was she who more than two years ago first described Mr. Gorbachev as "a man to do business with," it was the Soviet Union, a decade ago, who first called her "the iron lady."

Despite misgivings, the Soviets have at least set the stage to do some business with Mrs. Thatcher. She is to have five sessions with Mr. Gorbachev, including Saturday's greeting, a lengthy one-on-one session Monday, followed by a second meeting that includes the foreign ministers, a Monday night state dinner at which she will deliver a formal address, and a less formal meal Tuesday night.

Mrs. Thatcher is expected to meet with Soviet dissidents at private lunches. She will sit at a five television interview with three Soviet journalists and hold her own press conference on Tuesday.

Both sides hope to conclude agreements on cultural exchange and trade.

The Soviets have indicated their initial approval of provisions for a new chemical weapons accord proposed by Britain, over U.S. objections, at the talks in Geneva, and there is some speculation that agreement may come this week.

The U.S. secretary of state, George P. Shultz, will arrive here for talks two weeks after Mrs. Thatcher leaves. His arrival will diminish the importance of her trip as the first Western leader to meet here with Mr. Gorbachev since his unsuccessful sessions with President Ronald Reagan in Iceland.

It will be at Mr. Shultz's meeting, British officials acknowledge that the next steps toward an agreement to eliminate intermediate-range nuclear forces in Europe will be discussed.

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General Wojciech Jaruzelski, the Polish leader, announced the "second stage" of reform last year, but authorities have not made clear what measures they intend to take other than the price increases, subsidy reductions and pursuit of loans from the IMF.

The unions warned March 19 that in their call for a reversal of the price increases was not heeded, they would "support all the moves concordant with the law on trade unions." The law permits strikes, but only after an extensive and mandatory arbitration process.

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MONDAY, MARCH 30, 1987

Herald Tribune

BUSINESS/FINANCE

TO RAILWAY NETWORKS



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EUROBONDS

Glory Days May Be Over For the Eurodollar Sector

By CARL GEWIRTZ
International Herald Tribune

PARIS — The traditionally dominant sector of the international capital market looked like a wasteland last week. The volume of new fixed-coupon, non-equity-linked dollar Eurobonds trickled to a near halt while trading in the secondary market for dollar-straight bonds — now some 35 percent below the level of early January and about 60 percent off from a year ago — continued to contract.

The renewed flux in the foreign exchange market last week was a major destabilizing factor. The dollar was again under pressure, hitting a 40-year low against the yen.

But the total dearth of demand left bankers theorizing that the glory days of the Eurodollar sector of the bond market may be over. All during this decade the Eurobond market has expanded at an exceptional rate, with the dollar accounting for an ever larger share of the total — an average 71 percent of annual volume.

Now, some bankers are beginning to question whether investors are not simply filled up, over-committed to fixed-income Eurodollar bonds and unwilling to buy more. The risk of continued currency weakness and the likelihood that interest rates may soon increase are further disincentives to buying straight Eurodollar bonds.

"It's no longer a question of price," said a London-based banker. "There simply is no appetite for straight dollar bonds. After the growth of the past five years, investor portfolios are overweighted in dollars."

The one exception to this is dollar bonds linked to equity — either bonds directly convertible into stock or bonds bearing warrants to buy shares. So far this year, \$1.5 billion of convertible bonds have been issued and \$2.7 billion worth of warrant bonds, accounting for 25 percent of the total Eurodollar bonds issued in the first quarter.

Even the Japanese, who have been large buyers of straight dollar bonds, are retreating. They now favor stocks, or equity-linked bonds, rather than straight bonds for their dollar investments, and other currencies for their fixed-income holdings.

THE Ministry of Finance reported last week that Japanese net purchases of foreign stocks jumped to \$1.52 billion in February from \$1.13 million in January, nearly matching last December's record \$1.55 billion. Net purchases of foreign bonds, excluding bills, dropped to \$9.41 billion from \$10.46 billion in January.

While the official report gave no currency breakdown on the bond purchases, bankers say that increasing amounts of Japanese funds are going into Australian and Canadian dollars, European currency units and, of course, Euroyen.

Even market professionals expressed surprise last week at the large volume of Australian-dollar bonds that were issued and the apparent ease with which they were being placed. A cut in the Australian discount rate last week fueled expectations of lower market-interest rates, while the currency — in part buoyed by the large foreign purchases to subscribe to the new Eurobonds — strengthened on the foreign exchange market.

Meanwhile, in the Euroyen market, a new low was set with Norway setting a coupon of 4.4 percent on its 60 billion of five-year notes priced at 101%. Allowing for the 1% percent underwriting fees, Norway's cost of money was a thin 4.3 percent. At that rate, the yen topped the Swiss franc from its traditional role as the cheapest source of fixed-rate finance.

The issue that best captured the mood of the market was a dual currency bond launched by Commonwealth Bank of Australia offering investors a higher current yen income than available on traditional Euroyen bonds and a gamble on the Australian dollar-yen exchange rate five years from now.

The Australian bank's 15 billion yen of five-year notes pay annual interest of 8 percent in yen. But at redemption, holders will be repaid in Australian dollars at the rate of 83.91 yen per dollar. The current rate is 103.62 yen. If the dollar had depreciated more than that, investors would make a profit on this fixed exchange rate.

For the borrower, the certain depreciation in the redemption price about equals the higher interest payment than would have to be paid now to borrow directly in yen.

Although the move away from the U.S. dollar appears to be gathering steam, the trend has been apparent since the beginning of the year. This is shown by the data for the first quarter, supplied by Salomon Brothers.

Total volume of new Eurobonds, at \$46.2 billion, is up 23 percent from the previous quarter — a good part of this due to the substantial depreciation of the dollar.

Despite the distortion due to translating all figures back into U.S. dollars, the loss of the dollar's share of total business has been dramatic — a record low 36 percent in the first quarter.

See BONDS, Page 9

Last Week's Markets

All figures are as of close of trading Friday

Stock Indices		Money Rates	
	March 27	March 20	Closes
DJ Indust.	2,355.50	2,333.50	+1.1%
DJ U.H.	21,707	22,011	-1.4%
DJ Trans.	925.44	940.44	-1.6%
S & P 100	294.13	298.17	-0.6%
S & P 500	302.34	311.99	-0.4%
S & P Ind.	742.37	747.37	+0.6%
Armen			
FTSE 100	2,041.60	2,017.50	+1.5%
FT 30	1,420.60	1,593.50	+1.3%
Japan			
Nikkei 225	22,024.66	21,657.67	+1.7%
West Germany			
Commerzbank	1,779.40	1,644.50	+8.2%
Hong Kong			
Hong Kong	2,780.74	2,780.55	+0.6%
World			
MSCI	477.50	426.20	+2.6%

World Index from Morgan Stanley Capital Int'l.

Currency Rates

Currency Rates		March 27	
American	E. D.M.	F.F.	G.M.
Amsterdam	1,287	112.69	29.25
Berlin	1,214.05	104.29	25.25
Frankfurt	1,220.21	—	—
London (L)	1,265.00	—	—
Milan	1,299.15	1,201.00	34.22
New York (N)	2,020.00	1,874.00	47.22
Paris	1,264	1,227.00	34.00
Tokyo	1,284	223.74	24.57
Zurich	1,218.85	121.66	31.17
1 ECU	1,282	1,071.6	24.69
1 SDR	1,270.5	1,071.6	24.69

Closings in London and Zurich. Figures in other European centers, New York rates of P.M.

(a) Commercial firms (b) Units to be paid (c) Amounts needed to buy one dollar (d) Units of 100 (e) Units of 1,000 (f) Units of 10,000 (g) Not quoted; N.A.: not available (h) To buy one pound: \$0.21,4085

Source: (London) Bank of England; (Brussels): Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAI (London, rival, firm); Geotrust (Zurich). Other data from Reuters and AP.

Magazine Disputes VW Denial

Auditors Knew Of Fraud in '85

United Press International

HAMBURG — Volkswagen AG auditors found large shortages in the automaker's currency trading operation more than a year ago, the West German news weekly *Der Spiegel* reported Sunday. As recently as November, the company denied it had been still denying that any deficit had been uncovered.

Der Spiegel said the corporate auditing firm of Tresarbeit, in a report to Volkswagen dated Dec. 31, 1985, informed the management of a potential 182 million Deutsche mark (\$100 million) shortage caused by nine different currency transactions with one bank.

But this past November, the Volkswagen managing board chairman, Carl H. Hahn, denied that the company had come up short in its foreign currency dealings.

Rumors about major deficits in the currency dealings spread though the West German stock exchange last October, prompting management to launch an in-house investigation.

Finally, on March 10, management revealed that Volkswagen had indeed lost 480 million DM as the result of fraudulent currency transactions.

Volkswagen promptly filed charges of forgery, breach of trust and fraud against "unknown persons" both within and outside the company.

In that case, the company's finance chief has been replaced and its chief currency dealer, who was relieved of his duties in January when management investigators discovered the discrepancies, has been fired.

Investigators have followed a trail that has led to the Hungarian National Bank and to a Frankfurt currency broker who disappeared. But the fraud case apparently remains unsolved.

Volkswagen has said that it covered the previous year's revenue loss and that stockholders had been assured their 10 DM-a-share dividend was not in jeopardy.

Karl Gustav Rajer, chairman of the Volkswagen supervisory board, said, "In this case a degree of criminal energy has been brought into play which until now was unimaginable in a German company."

The Hungarian bank, while admitting that its name had been used in the fraudulent foreign exchange contracts, has denied any misconduct.

A report from the Press Association, Britain's domestic news service,

Delta's Westward Expansion

Locations of the hubs of Delta Air Lines and Western Air Lines.



Delta Soars, on the Wings of Western

A Merger 'Made in Heaven' Nears Completion

By Robert E. Dallas

Los Angeles Times Service

LOS ANGELES — Passengers flying from Hollywood to Los Angeles at 11:10 P.M. Tuesday will be greeted by a flight attendant saying, "Welcome to Western Airlines Flight 566." About five hours later, the same flight attendant will say, "Delta Airlines welcomes you to Los Angeles."

The passengers need not be confused. At midnight on March 31, Western, the nation's oldest airline and an institution that began flying airmail in 1926, will pass into history.

The large red Ws on Western's planes will be replaced by Delta's red, white and blue color scheme. At ticket counters and boarding areas, Western signs will give way to Delta signs. Pilots and flight attendants will wear new uniforms. And the Western name will disappear.

Delta and Western took their time in accomplishing the merger, trying to avoid the upheaval and controversy that has tainted other recent airline acquisitions.

Some other merger partners — Northwest and Pan American are good examples — have managed to antagonize both their employees and the flying public. But Western and Delta moved carefully and the transition so far has been relatively smooth.

For Delta, the acquisition of a partner was as important as it was to Western. And the marriage with Western was a dream come true for Delta.

The Atlanta-based airline had a big gap in its system. A powerhouse in the eastern United States, it had little presence elsewhere at a time when success goes only to airlines that can grab the most passengers for the longest flights.

For Delta, the consolidation with Western was a natural fit. The pieces meshed like those of a picture puzzle, "one observer said. A merger "made in heaven" is how another described it.

Before the merger, the two carriers had only five competing routes. As they blazed their route maps and schedules, the remaining routes were connected end to end.

As it watched one airline after another join

See DELTA, Page 9

Taiwan Says It Will Lift All Currency Limits

By Patrick L. Smith

International Herald Tribune

TAIPEI — Taiwan has signaled its intent to lift foreign exchange controls that have been in effect since the Kuomintang, or Nationalist Party, established its authority here almost four decades ago.

The move is the government's most significant step to reduce the accumulation of foreign reserves that has resulted from Taiwan's huge trade surpluses with the United States and other nations.

Last year the overall trade surplus widened by nearly half, to a record \$15.6 billion, with \$13.6 billion coming from bilateral trade with the United States.

In a statement released late Friday, Prime Minister Yu Kuo-hua indicated the government would "suspend" existing foreign exchange regulations but could reinforce them in a national emergency.

The foreign currency holdings of Taiwan's central bank have more than doubled in the past year. Earlier this month, foreign reserves reached \$53 billion, the world's third-largest after those of West Germany and Japan. Foreign reserves are now growing at a rate of roughly \$2.5 billion per month.

In drawing attention to the island's highly protected economy, the growth of reserves has been a continuing embarrassment to President Chiang Ching-kuo's administration.

In lifting tight controls on the possession and use of foreign currencies, the government intends to reduce this rate of growth by allowing residents greater freedom to import goods, invest abroad and accumulate foreign-currency savings.

Although pressure for an easing of exchange controls has been mounting for some time, measures thus far adopted have been inadequate.

At the same time, a number of Soviet ministries received the right to deal directly on world markets, rather than through the Ministry of Foreign Trade.

Reviewing these changes Friday, Deputy Prime Minister Vladimir Kamenshev said that, of the more than 200 proposals for joint ventures, 121 had been judged of mutual interest. Twelve projects from the 30 protocols were practically implemented, he said, including ventures with Finnish, Japanese, West German and American companies.

"The Soviet Union is selling the joint-venture idea very hard because it wants to obtain new technology cheaply," one diplomat said. "But I would say business reaction in the West has been cool so far."

The rules for running the joint ventures are still unclear, this diplomat said, and no Western company wanted to be the first to take a major financial risk.

Under the already announced plans, the Soviet side of any enterprise must have at least a 51 percent stake. But Mr. Kamenshev said that contrary to some businessmen's impressions, the foreign partners could take their share of profit on total production, not just exports.

All the securities having been sold outside the United States of America, this advertisement appears as a matter of record only.

March 1987

ICN Pharmaceuticals, Inc.

Costa Mesa, California, USA

Swiss Francs 60 000 000.-

3 1/4% Subordinated Double Convertible Bonds of 1987 due 1997

Exchangeable for Common Shares of

ICN

New International Bond Issues

Compiled by Laurence Denivelle

	Amount (millions)	Mot.	Coupl. %	Price and week	Terms
ADJUSTING RATE NOTES					
JOINED-COUPON					
Banco di Sicilia Int'l	\$ 30	1992	zero	70.40	— Yield 7.66%. Proceeds \$20.6 million. Fees 1%.
Credit National	\$100	1992	7%	99.83	Noncallable. Fees 1%.
Chrysler Financial	\$ 50	1992	9%	101.14	99.58 Noncallable. Fees 1%.
Deutsche Permanent Building Society	\$ 50	1992	9%	100%	98.38 Noncallable. 20% due on subscription and balance in Oct. Fees 1%.
Woolwich & Equitable Building Society	\$ 50	1992	9%	101%	99.33 Noncallable. Fees 1%.
Copenhagen Telephone	Fr 600	2002	9	101%	99.25 Redemable and callable at par in 1992 and 1997 when new terms may be set. Fees 1%.
Denmark	DK 200	1989	zero	82%	— Noncallable. Proceeds 162 million kroner. Fees 1%.
Denmark	DK 200	1990	zero	73%	— Noncallable. Proceeds 146.7 million kroner. Fees 1%.
Spanish Export Credit	DK 450	1989	11	101%	99.63 Noncallable. Fees 1%. Issued in 3 months of 150 million each, with maturities of 2, 3 and 4 years.
Swedbank	ECU 145	1997	7%	101%	98.38 Noncallable. Fees 2%.
Swedbank	ECU 125	1997	7%	101%	99.63 Noncallable. Fees 2%.
Commonwealth Urbane de Montreal	CS 75	1997	8%	101%	99.00 Noncallable. Fees 2%.
Montreal Trustco	CS 100	1992	8%	101	98.88 Noncallable. Fees 1%.
Credit Lyonnais	Aus\$ 40	1990	14%	101%	99.75 Noncallable. Fees 1%.
Australia	Aus\$ 75	1990	14%	101%	99.38 Noncallable. Fees 1%.
IBM Australia Credit	Aus\$ 75	1990	14%	101%	99.38 Noncallable. Fees 1%.
Denmark	Aus\$ 75	1992	zero	52%	51.25 Yield 13.5%. Noncallable. Proceeds Aus\$39 million. Fees 1%.
Finance	Aus\$ 100	1992	zero	53%	52.00 Yield 13.33%. Noncallable. Proceeds Aus\$52.8 million. Fees 1%.
Schleswig Holstein Landesbank Finance	Aus\$ 30	1990	14%	101%	100.58 Noncallable. Fees 1%.
Washington Public Financ	Aus\$ 46	1992	14%	101%	99.88 Noncallable. Fees 2%.
Wall Disney	Aus\$ 75	1990	14%	101%	99.88 Noncallable. Fees 1%.
American Express Overseas Credit	NZ\$ 50	1990	18	101%	99.38 Noncallable. Fees 1%.
Swedish Export Credit	NZ\$ 75	1989	19	101%	99.25 Noncallable. Fees 1%.
Asso Capital	Y 10,000	1992	4%	102%	100.25 Redemable and callable or par in 1990. Fees 1%.
ASLU-CGCR Finance	Y 10,000	1994	5%	101%	— Noncallable. Redemption clause of maturity will be linked to the U.S. dollar/yen exchange rate. Fees 2%.
Commonwealth Bank of Australia	Y 15,000	1992	8	101%	100.75 Payable and redeemable in Australian dollars. Redemption of maturity will be at a rate of 83.91 yen per dollar. Fees 1%. Denominations 5 million yen.
Finland Export Credit	Y 20,000	1992	4%	102%	100.75 Redemable and callable at par in 1990. Fees 1%.
Kyushu Electric Power	Y 20,000	1994	4%	101%	99.88 Noncallable. Fees 1%.
Norway	Y 60,000	1992	4%	101%	99.63 Noncallable. Fees 1%.
Skandinaviska Enskilda Banken	Y 10,000	1992	4%	101%	99.38 Noncallable. Fees 1%.
Societe Generale	Y 15,000	1992	4%	102	100.13 Coupon will be 71% in the last year. Callable in 1991. Fees 1%. Denominations 10 million yen.
EQUITY-UNITED					
American Can	\$ 175	2002	5%	100	100.00 Callable at 103.85 in 1990. Convertible at \$46% per share, a 27% premium. Fees 2%.
Chiyoda Fire & Marine Insurance	\$ 70	1992	open	100	116.25 Coupon indicated at 28%. Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at an expected 28% premium. Fees 2%. Terms to be set April 1.
Enserch	\$ 100	2002	5%	100	100.00 Convertible of \$27 per share, a 21.67% premium. Fees 2%.
Home Shopping Network	\$ 100	2002	5%	100	98.75 Selling fund to start in 1995. Convertible at \$25.00 per share, a 20% premium. Fees 2%.
Kraft Electric Express	\$ 150	1992	open	100	109.00 Coupon indicated at 28%. Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at an expected 28% premium. Fees 2%. Terms to be set April 1.
Keppe	\$ 60	1997	open	100	99.75 Coupon indicated at 4 to 4%. Convertible at an expected 5% premium. Fees 2%. Terms to be set April 2.
LSI Logic	\$ 125	2002	5%	100	100.00 Callable at 104.96 in 1990. Convertible of \$20 per share, a 26% premium. Fees 2%.
Speculator Int'l	DM 200	1992	2	100	101.00 Noncallable. Each bond with four 3-month warrants each convertible into one bearer participation certificate of \$63 Swiss francs. Upon exercise of warrants, holders will receive 2 additional 35-year warrants, convertible into a total of 8 IPCs or 595 francs each. Fees 2%.
DRG	£ 40	2002	5%	100	— Convertible at 492 pence per share. Fees 2%.
Bell Group Finance	Aus\$ 175	1997	10	100	— Convertible of an expected 20 to 25% premium. Fees 2%. Terms to be set April 2.
WARRANTS					
Bayernische Vereinsbank	0.10	12 mos.	—	\$15	— Each warrant is exercisable at par into a Aus\$1,000 note of 14.63% bonds due 1992. Fees 2%.
Overseas Finance	0.05	1989	—	\$47%	— Call warrants give the right to buy \$500 with Deutsche marks or yen, or fixed exchange rates of 1.825 marks or 149.50 yen per dollar.

Special BP Loan Is Not a Signal for Rise in Terms

By Carl Gewirtz

International Herald Tribune

banks over the cost of its loan. And in fact bankers reacted favorably, saying that they regarded the terms as fair even though there are no separate, front-end participation

INTERNATIONAL CREDIT

fees which normally are a standard feature of credit syndications.

The new four-year facility is not expected to be drawn. Instead it will serve as a back-up line of credit for the issuance of commercial paper in the U.S. market. The Euro-CP market is still too small to accommodate the amount of paper BP will be issuing.

The company can also request cash advances from the lending syndicate. Either of these options is expected to result in a lower cost than a direct drawing on the credit.

That would cost 4% percentage point over the London interbank offered rate. Added to the annual facility fee, paid whether the credit

is used or not, the total cost to draw would amount to 4% point over Libor.

Meanwhile, the Bank of Ireland

struck a deal on the strategy the Bank employed last year to arrange its bilateral standby facility. The institution is asking banks to submit bids on their fees to underwrite a \$300 million certificate of deposit facility. The facility will be composed of an available amount, plus a reserve of not more than half the total.

The parameters on the bidding are that the annual fee on the available amount be no higher than 18.75 basis points and no more than 12.5 basis points on the reserve, with the difference between the two fees at 6.25 basis points. The borrower can move from one category to the other free of charge with two months' notice or at a cost of 1% percent in a shorter period. Interest will be at Libor with an extra 2.5 basis points paid if banks are obliged to take up

that would amount to 4% point over Libor.

Guinness Peat Group is seeking a \$125 million cash advance facility for five years which, after three years, they can extend for an additional two years. The annual facility fee is 10 basis points and the maximum interest on the drawing is set at 18.75 basis points over Libor.

Européen bonds accounted for 18 percent of total issues in the quarter, up from 10 percent for all last year. The Deutsche mark expanded its market share, but not as much as the yen, accounting for 12 percent so far this year compared to 9 percent last year.

For all these reasons, the company obviously did not want to get bogged down in a public fight with

more than £15 million in any six-month period.

The bidding formula, says lead manager Barlays de Zoete Wedd, is designed to allow banks who want large commitments to be able to succeed by bidding aggressively. Too often, the spokesman said, banks find their underwriting commitments scaled back by the time syndication is finished leaving them with access to less paper than they would prefer.

Banks can also scale their bids, setting different fees on different amounts to create a blended rate. BZW says the initial reaction has been favorable.

Other bankers, however, are highly critical of the procedure and doubt it will succeed. But it should be noted that bankers frequently say one thing to the press while doing exactly the opposite.

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At the same time, BZW and

Guanhui Mahon have been named dealers to market up to £100 million of Euro-CP for Guinness Peat.

Certainly, 57-percent owned by St. Gobain, is seeking a five-year multi-option facility of \$150 million. The annual fee paid to underwriters is 10 basis points, with the maximum charge to draw on the credit set at 10 basis points over

Libor.

Européen, which last year arranged a \$400-million stand-by facility at a cost of 4 basis points, a year, has appointed Société Générale, Bankers Trust, Chase Manhattan and Credit Suisse First Boston to market up to \$400 million of Euro-CP.

If you haven't seen last week's INTERNATIONAL POSITIONS rubric, please ask for a free copy: Max Ferrero,

GARCIA: Friends in Mexico

(Continued from first finance page) half its export income to creditors in 1986 and suffered a 4 percent economic decline, critics noted.

"We don't want to export a model for dealing with the debt," Mr. Garcia said here. But Brazil's re-

cent payments suspension, he said, "confirmed that no country can grow and provide for its people's welfare and at the same time pay debts under present terms."

"If we stop paying commercial banks, no banker is going to go without schoolbooks or medical care or food or work," he said.

Mr. Garcia barnstormed through the capital like a political campaigner.

Some observers said they rarely had seen a politician draw such an enthusiastic response. A telegraphic message to the sober demeanor of most senior Mexican

He also played expertly on national pride, declaring that his debt policy was "inspired" by Mexico's 1910 Revolution. The assertion was perhaps not appreciated by President Miguel de la Madrid, whose commitment to full debt payment was being attacked by opponents as a "betrayal" of the revolution.

Mr. Garcia's message seemed to officials who worked on Mexico's new debt pact, which is predicated on technological modernization and features the biggest loans and best payments ever granted to a Third World country.

Because of such sales, a Japanese firm's Hong Kong office may ask full price for its chips, while local brokers who bought them cheaply in Tokyo offer them for less.

China Estimates Foreign Debt at \$20.6 Billion

Reuters

BEIJING — A Chinese leader

said over the weekend that the country's foreign debt was rising, but not to a dangerous level, and that China valued its good credit rating in the world.

Vice Premier Tian Jiyun said that the debt was \$20.6 billion in December, of which \$7.6 billion was in long-term, low-interest loans.

"Considering the national economic strength of China and the scale of its imports and exports," he said, "this level of foreign debt can be sustained by China now and has not developed to a dangerous point."

It is not enough for us to rely totally on our own funds and capital" to achieve modernization, Mr. Tian said at a news conference Saturday.

Finance Minister Wang Bingqian said in his budget speech Thursday that borrowing abroad in 1987 would be almost double the 1986.

But officials have said repeatedly that China will not go out the way of Mexico or Brazil and amass enormous debt.

Mr. Garcia's visit was the first to see a politician draw such an enthusiastic response. A telegraphic message to the sober demeanor of most senior Mexican

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NASDAQ National Market

OTC Consolidated trading for week ended Friday. March 27.

SPORTS

Mitchell Recovers, Keeps Lightweight Title

SPORTS BRIEFS

Oxford Upsets Cambridge to Win Boat Race

LONDON (UPI) — Oxford won the 133d University Boat Race on Saturday, taking control of the race with a tactical start and defeating the favored Cambridge crew by three lengths in a time of 19 minutes, 59 seconds.

The result of the 4½-mile (6.88-kilometer) race up the Thames from Putney to Mortlake, was something of a surprise in that Oxford had been rocked earlier this year by the mutiny of four U.S. rowers. Without the Americans, Oxford had only three race-experienced men in the nine-man boat.

The start of the race was delayed by a squall. On starting, Oxford immediately pulled well over toward the Middlesex shore to avoid rough water caused by a strong northwest wind. Making use of its weight advantage of 9 pounds (4.1 kilograms) per man, Oxford pulled to a lead of one length by the mile mark. It extended its lead to one and three-quarter lengths by Hammersmith Bridge before moving back to the center of the course and taking advantage of the faster current.

O'Meara, Simpson Share TPC Lead at 202

PONTE VEDRA, Florida (AP) — Mark O'Meara, who finished off a 7-under-par 65 Saturday morning in the completion of the rain-delayed second round, and Scott Simpson shared the lead after 54 holes of the Tournament Players Championship.

O'Meara and Simpson finished three rounds at 202, 14 under par on the rain-soaked TPC course at Sawgrass as the tournament got back on schedule. O'Meara, one of 12 players stranded on the course by a Friday afternoon thunderstorm returned at daylight Saturday and finished his 65 that lifted him into a tie for the 36-hole lead with Steve Jones. O'Meara came back with a 69 in the afternoon third round.

With Jones fading to 76/209, Simpson shot a 68 to tie O'Meara. They shared a two-stroke lead over Ben Crenshaw and Sandy Lyle of Scotland, both of whom shot 66 in mild, cloudy weather.

The Associated Press

SAN JUAN, Puerto Rico — Brian Mitchell of South Africa used blistering right-left combinations to stage a comeback against Joe Rivera of Puerto Rico and retain his World Boxing Association junior lightweight title here Friday night.

The fight was a draw. Judge Ed Levine scored it 144-141 for Rivera, but the other two judges, Mark Schechner and Gordy Volsman, had it 142-142.

"I took control of the fight in the sixth round," the 25-year-old champion said after the 15-round fight. "We knew it would be a tough fight and we followed our plan."

It was Mitchell's first defense of the title he took from Alfredo Layne of Panama in Johannesburg last September.

Fighting outside South Africa for the first time, Mitchell showed little initiative after being knocked down in the first round by a solid right from Rivera, the 23-year-old challenger. Rivera used a punishing left jab to open a cut over Mitchell's right eye in the fourth. Mitchell was also cut on the outside of his left eye early in the fight.

But in the eighth Mitchell charged back, using machine-like combinations to Rivera's body and head. He opened a cut under Rivera's right eye and blackened the left. From that point on, Rivera practically lost the left jab that had piled up points for him early in the fight.

Rivera said afterward: "I was robbed. I want a rematch. I won the last round big. I'll fight him in South Africa, anywhere."

Mitchell's record is 31-1-1. Rivera dropped to 17-1-1.

Luis Batson, Salas chairman of Puerto Rico's Boxing Commission, originally canceled the fight earlier Friday in a dispute with WBA Pres-

ident Gilberto Mendoza of Venezuela over who would referee.

Mendoza wanted Ernesto Magon of Mexico to replace Eddie Eckert of Miami. A compromise was reached hours before fight time, and the eventual referee, William Yohan of Miami, arrived 30 minutes before the bout started.

■ New WBA Bantam Champ

Takuya Muguruma of Japan battered Panama's Azel Morán at the fifth round bout after Muguruma had downed him for the second time in the round.

The first two rounds were even; in the third, Muguruma began bleeding from his nose after an exchange of blows to the body and face.

Late in the fourth, however, the Japanese unleashed powerful combinations to the Panamanian's body, followed by three straight lefts, and Morán sagged to his knees just after the bell ended the round.

In the fifth, Muguruma caught Morán with rights and lefts. After two minutes, Morán backed into the ropes, buckled at the knees again but stood up and resumed the fight.

Muguruma continued to batter him with rights and lefts, and when Morán went to his knees for the third time he was unable to recover.

The victory improved Muguruma's record to 26 victories, including 19 by knockout, against one defeat and one draw. It was Morán's second defeat against 16 victories, including seven knockouts.

Muguruma is to face Park Chang young of South Korea within 45 days.

Bernardo Pilango of Venezuela, the former champion, had notified the WBA on March 13 that he was retiring because of illness.

■ Galici Wins WBC Crown

Elio Galici of Italy captured the World Boxing Council junior welterweight title Friday night by stopping Orlando Orozco of Venezuela at 2:15 of the fifth round. AP reported from Cagliari, Italy.

The referee stopped the bout after the Venezuelan defender was knocked down for a third time.

The Italian dominated the fight with a devastating right. Galici knocked down Orozco for the first time in the second round with a straight right and decked him again at the end of the fourth.

The Venezuelan came out aggressively in the fifth, landing a good left. But Galici stormed back with a series of rights and floored him for the last time with a left uppercut. Orozco rose before the count but he could barely stand and the referee, Sid Nathan of Britain, halted the fight.

Galici, 23, raised his record to 23-0, including 18 knockouts. Orozco, 26, is 24-7.

Gary Williams/The Associated Press

Joe Rivera decked Brian Mitchell with this first-round right, but Mitchell rallied to keep his WBA junior lightweight crown.

WORLD STOCKS IN REVIEW / Via Agence France-Presse

Amsterdam

Investors appeared to be holding back last week on the Amsterdam Stock Exchange, but the tone of the market was firm. Fluctuations in the dollar's value created a slight strain.

The ANP-CBS General Index finished the week at 280.4, up from 275.6. Volume totaled 7,510 billion guilders, up from 6,240 billion the previous week.

The index edged up marginally on Monday, but the market grew listless on Tuesday. Wednesday's trading was dominated by Brederode, which had announced Tuesday that it was delaying publication of its quarterly report. Trading in Brederode shares was suspended and Tuesday's quotations were canceled. A rally on Thursday lasted out the week.

Frankfurt

The Frankfurt stock exchange, which plunged on March 20 to its lowest point this year, staged a pronounced recovery last week, with share prices gaining more than 6 percent.

The Commerzbank index gained 134.9 points to reach 1,779.4, while trading volume advanced from 13,574 billion Deutsche marks to 19,357 billion.

Foreign investors returned to the Frankfurt exchange after a long break following reports of a currency swindle at Volkswagen and problems at the chemical group Bayser.

Hong Kong

The Hong Kong stock market continues its bullish run last week, spurred in part by good annual results from local corporate giants. The Hang Seng Index closed at 2,798.74 on Friday, up 18.19 points from the previous week, while the Hong Kong Index rose 18.10 points to close at 1,802.27.

Many dealers said they expected the index to fluctuate between 2,775 and 2,850 points next week pending trading incentives.

Daily volume averaged 1.009 million Hong Kong dollars, up from 855 million dollars the previous week.

London

Equities broke new ground last week on the London exchange as nervousness, prompted by the publication of several opinion polls showing growing support for the SDP-Liberal Alliance, later gave way to optimism fueled by better-than-expected trade figures.

The Financial Times industrial share index reached a record 1,625.2 points Tuesday, then slipped back to close Friday at 1,620.6, up 21.7 for the week. The more widely based FT-SE index gained 31.1 points to 2,048.6. The number of transactions rose from 251,746 to 282,080.

Gold mines and related issues were particularly strong, reflecting firmer bullion prices. BP was strong following news of its plans to acquire the remaining 45 percent of Standard Oil for \$7.4 billion.

Milan

Foreign buyers helped boost the COMIT index to 317.19 last week from 315.15 at the end of the previous week's trading.

Experts said the Milan stock would get a new boost in the next few weeks when companies disclose dividends at annual meetings.

Daily trading was an average of 10 percent higher from the previous week. Volume for the week totaled 234 million shares worth 1,135 billion lire.

The SME food group, part of the IRI state company, gained 19.6 percent. Mediobanca gained 2.9 percent and Montedison inched up 0.5 percent. But Fiat slipped 0.97 percent.

Paris

The Paris Bourse, led by construction issues, rallied last week, with the CAC index closing Friday at 459, compared with 444.5 the previous Friday. The index hit a new record Thursday of 460.4.

Construction companies Lafarge-Coppee, Pölich and Ciments Francais were buoyant after an announcement that French highway and rail networks would be expanded and the signing of a contract for a Walt Disney theme park east of Paris. Trading has also been sustained by healthy company results.

British market analysts Savory Miln predicted that the CAC index would hit 600 by the end of the year.

Singapore

The Singapore stock market started the week on a firm note, but many Malaysian issues

were sidelined as investors decided to wait until coming elections.

Good corporate results and a government statement that the economy would grow this year as much as 5 or 6 percent also boosted sentiment on Singapore stocks.

The Straits Times index ended the at 1080.04 for a gain of 28.09 points. Volume totaled 157.3 million shares, valued at \$64.44 million Singapore dollars, up marginally for the week.

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Tokyo

The Tokyo exchange's two key market indicators hit records last week. Market analysts said that the bullish trend would continue this week, which will mark the start of new fiscal year's trading.

The ZB-blue chip Nikkei Stock average broke through the 22,000 barrier to finish at 22,026.66 yen for the week, up 368.99. The composite index of all common stocks listed on the market's first section also set a record Friday at 1,922.08 points, surpassing the previous record of 1,874.80 yen set on March 18.

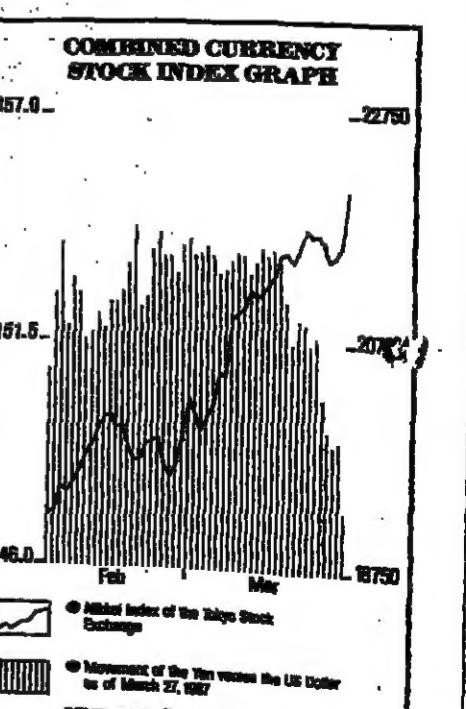
Trading continued to be extremely heavy with an average 1,773 billion shares changing hands each day, compared with an average 1,699 billion shares the previous week. Friday's volume of 2.8 billion shares was a record.

Zurich

Trading was stronger on the Zurich exchange last week, although analysts, citing the volume of purchases, were cautious about future trends.

The Credit Suisse index closed at 538.8, against 517.5 on March 20.

Foreigners have finally stopped selling, one analyst said, but he noted that the market did little more than make up for what it had lost the previous week. Banks, insurance firms and food concerns gained ground.

**TAIWAN: Currency**

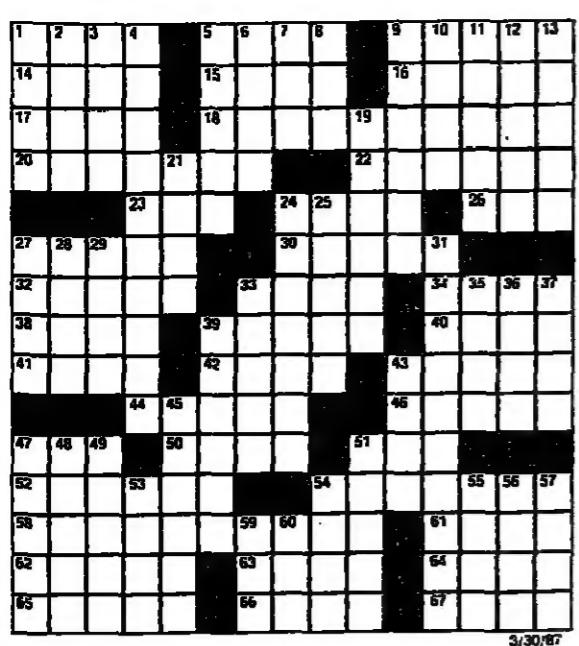
(Continued from first finance page) changed about \$3 billion in hard-currency reserves.

As a consequence, the local money supply, measured by the narrow gauge M-1, rose 38.50 percent, and is now rising at a rate of 38.50 percent. This narrow measure includes cash savings accounts.

Pressure for the liberalization of exchange control has come from the central bank. In addition to purchasing foreign currency, the bank has been buying up to \$250 million daily in recent months to limit the local currency's rise.

Last year the government allowed individuals to purchase overseas certificates of deposit and other instruments for the first time and their hard-currency receipts, but these measures were defeated by the attraction of the rising local currency.

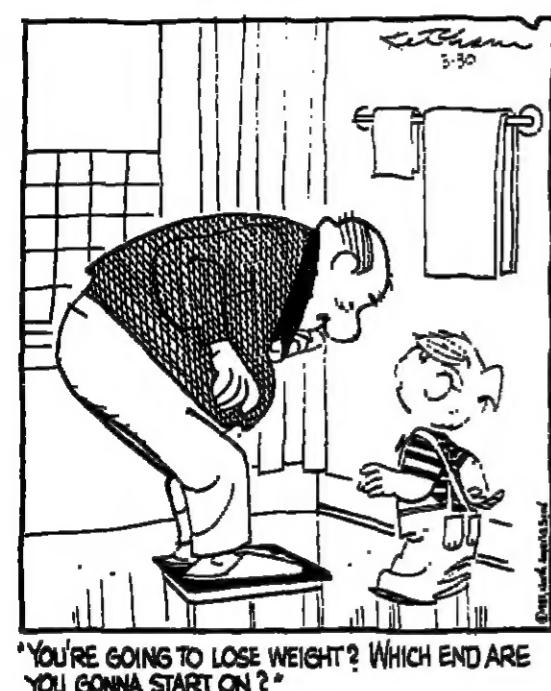
Earlier this month the government further restricted capital outflows and began blocking capital inflows.



ACROSS
1 At a distance
5 Homophone for pique
9 Hit show
14 Lay role
15 Soil: Comb. form
16 Cellist Casals
17 Tinsel, e.g.
18 Lynx becomes list maker
20 Collected
22 Weds
23 Sound before drum
24 Ice follower
26 Canonized woman of Fr.
27 Speeder's snare
30 Required
32 Tokias or Faye
33 Paul follower
34 Relative of a shawm
38 Polio conqueror
39 Passé — voice
41 Upgrade
42 Rock of —
43 Pan or Grimes
44 Gantry
46 Passageways in the brain
47 Vol. measures

DOWN
1 Father — (Joseph de Veuster)
2 Shape
3 Operatic highlight
4 Butter becomes shaky
5 In
6 Minced path
7 Knock
8 Hawaiian tree
9 Kind of cake
10 Crèche trio
11 Touches upon
12 Highway hazard
13 Kind of play or sense

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DENNIS THE MENACE

JUMBLE THAT SCRABBLED WORD GAME by Henri Arnold and Bob Lee

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KYASH

TRAVOC

MOYLOG

Print answer here: A

(Answers tomorrow)

Friday's Jumble: QUESO BERET GOPHER DEXINE

Answer: What the goat bacon but — A HUGUE HEMPIRE

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SPORTS

Syracuse and Indiana Will Square Off for College Basketball Crown**Providence Defeated, 77-63,
As Outside Shooters Go Cold**

By Roy S. Johnson

New York Times Service

NEW ORLEANS — An emotional and inspirational journey that took Providence to its first Final Four appearance in 14 years ended Saturday against a confident Syracuse team that was barely tested.

The Friars clearly saved their worst half of the tournament for the semifinal, and they trailed, 36-26, at intermission after a woeful performance.

Steve Wright, who led Providence to its victory over Georgetown, was charged with his third personal foul with nine minutes remaining in the first half and the Friars trailing, 19-17. The damage caused by his departure was compounded by the team's worst shooting of the tournament. After shooting 45.7 percent for the season and 53.4 percent in the tournament, Providence was a horrendous 12-for-36 (.33 percent) in the first half. And it was cut to 23-26.

From 3-point range the Friars were almost nonexistent, missing an uncharacteristic 8 of 9 attempts.

Each of Providence's top three shooters faltered badly. Donovan, its leading scorer with a 26.5 points-per-game average in the tournament, was 1-for-6 from the floor and scored only 2 points in the half. Brooks, with an 11.8 average, was 2-for-5 and only 4 points. And Lewis, a 4.8 percent shooter, missed all six of his attempts from the field.

Syracuse still struggled to take advantage of its commanding frontcourt mismatch. Seikaly, the 6-foot-10 (2.10-meter) center was held to only one field goal, five attempts; he went 5-for-8 from the free-throw line.

Coleman, the 6-9 freshman forward, was Syracuse's motor in the first half. He scored 10 points and had six rebounds and provided the only excitement with two dunks. For both coaches it was the culmi-

nation of an unlikely journey. Jim Boeheim's Syracuse team began the season as an unknown quantity, having lost two senior scorers — Rafael Addison and Wendell Alexis — to graduation and the playmaker, Dwayne Washington, to the New Jersey Nets of the National Basketball Association.

That left Boeheim to depend on players like Seikaly, who was in only his third season of organized basketball, and two untested talents, Douglas, a sophomore, and Coleman. Two seniors, Monroe

COURTESY PHOTO/UNITED PRESS INTERNATIONAL
HANDS ON — Abdul Shamsid-Deen of Providence was besieged by Howard Triche (left), Delek Brower and Ron Seikaly in a second-half scuffle; Syracuse won the NCAA semifinal, 77-63.

and Howard Triche, were counted on as a steady influence.

They tied for first place with Georgetown and Pittsburgh for the Big East Conference regular-season title and lost to Georgetown in the conference tournament final.

But in the national tournament, Seikaly and Douglas raised their games to new levels. Seikaly improved his scoring average (13.6 to 26 entering Saturday's game), shooting (57.6 percent to 66.7) and rebounding average (8.1 to 9.3), while Douglas came into the game

averaging 9.0 assists per tournament game as opposed to 7.5 during the season.

More than anything, Seikaly and Douglas were the reasons the Orange eliminated Georgia Southern, Western Kentucky, Florida and then North Carolina in the final of the East Regional to give Boeheim his first Final Four appearance as a coach after 11 seasons.

Boeheim was an assistant under Dan Dantonio in 1975 when Syracuse made its only other Final Four appearance.

Banks was a good player to stop Alford for part of the game.

"I was just fatigued," he said. "I had a tremendous shooting day. I really did. They had hands in my face and they were bumping and fouling me... But I was just coming down and letting the ball fly."

Almost everything had flown right through the net for Banks, especially from 3-point range, where he hit 10 of 19. But with a chance to finish off what would have been an historic performance, he couldn't quite kick home.

Banks was guarded closely when he let fly with a 3-point shot that could have cut the lead to one with 47 seconds left. It rimmed out. Banks rebounded and slipped the ball to Banks, who had gone inside. Banks tried a lay-up and it rolled out. Frustrated, he fouled Garrett, the center, with 38 seconds to go.

"I was getting hacked," Banks insisted. "That play was crucial — it cost us the game."

Garett missed the free throw, and UNLV had another chance to close within a basket. But Banks missed another 3-pointer. The long rebound came back to him and Keith Smart fouled him.

With 28 seconds to go, Banks had one and one, but his free throw was short. Garett rebounded, gave the ball to Alford and UNLV had to foul. Alford had smacked many of the 44,359 in the building earlier in the game when he had missed a pair of free throws — the first time in his four-year college career he had done that. But now, he canned both shots to make it 65-63.

Mark Wade, who had 18 assists but was 1-for-6 as a shooter, missed UNLV's 35th and final 3-point attempt (Indiana shot four, all by Alford) and Eyl rebounded and took off on his solo dash that sent Alford into celebration.

"The game was so tiring and so physical that when I realized we'd won I just couldn't control myself."

Alford Helps Hoosiers Get Past UNLV, 97-93

By John Feinstein

Washington Post Service

NEW ORLEANS — For almost 40 minutes, his face never changed expression. He never stopped running, bouncing off screen after screen, his ball-faked and head-faked, and whenever Indiana needed a basket Steve Alford was there.

But now, with 13 seconds left, Steve Alford had just beaten Nevada, Las Vegas' press and banked a home a lay-up to put the Hoosiers ahead by 96-93. Finally, Alford let loose. He threw his fist in the air, let out a shriek and hugged Dean Garrett, the center.

After four years and 2,415 points, Alford reached his appointment with an NCAA championship game. He did it by scoring 33 bruising points as Indiana fought off a comeback to beat the Runnin' Rebels, 97-93, here Saturday night. Indiana (29-4) will play Syracuse in Monday's championship game.

"I thought we had a pretty good plan to stop Alford," said Jerry Tarkanian, whose UNLV team finished 37-2. "I sure didn't work."

The Rebels got an extraordinary performance from Freddie Banks, a guard who scored 38 points and a superb job inside from Armond Gilliam, the power forward, who had 32 points and 10 rebounds.

But the combined 9-for-33 from the field, including 2-for-13 Gerald Paddio, the other forward, and 0-for-5 D.Wright Graham, a guard,

was the difference. Banks had one and one, but his free throw was short. Garrett rebounded, gave the ball to Alford and UNLV had to foul. Alford had smacked many of the 44,359 in the building earlier in the game when he had missed a pair of free throws — the first time in his four-year college career he had done that. But now, he canned both shots to make it 65-63.

He hit a short jumper off a drive to make it 65-63. He fed Garrett inside to make it 67-63. He hit a 10-foot (3-meter) shot to make it 71-65 with 11 minutes to go.

Garrett missed the free throw, and UNLV had another chance to close within a basket. But Banks missed another 3-pointer. The long rebound came back to him and Keith Smart fouled him.

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"The game was so tiring and so physical that when I realized we'd won I just couldn't control myself."

Alford hit four straight free throws to build the lead to 80-70 with 6:10 left and then two more to make it 88-76 with 3:40 to play.

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